

แบบแสดงรายการข้อมูลประจำปี 2565

56-1 One Report 2022



NPD
RUBBER®

บริษัท เอ็น.ดี. รีบเบอร์ จำกัด (มหาชน)

stable to step into the future

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This 56-1 One Report referred to the information disclosed on the Company's website, which is an integral part of this report. The Board of Directors certifies the correctness and completeness of such referred information.

Message from Chairman



Dear Shareholders,

During the uncertainty caused by various situations around us, all activities in our business operation must be cautious, and having the measure of readiness to response so that the business can run smoothly, considering the health, safety and to mitigate the impact of employees, community and surrounding society. In 2022, the Company has established another subsidiary company to produce and sell electricity from solar energy to companies in the group. In addition, due to the increasing trend of using EV either car or motorcycle, the Company therefore has invested in an associated company that produces electric motorcycles. This is an extension of the existing business and enhances the Company's growth potential.

In addition to the short-term adjustments, the Company needs a clear plan to innovate the new things, especially the innovation to solve the social and environment problems in order to create a better well-being through good products developments, responsibility for the entire life cycle products, including responsibility for the pollution that may occur from the manufacturing process and trying to rectify these in order to minimize the impact. With reference to our determination to reduce greenhouse gas emissions, the Company has adopted the Circular Economy principles in all production processes, the Company received an award for the Phototype Industrial Plant – Low Carbon Industry Development Project in the Eastern Economic Corridor under the Circular Economy Concept 2022 which is considered one of our pride and determination to run a sustainable business.

In 2022, our total revenue is 846.25 Million Baht, a decrease of 5.22 Million Baht compared with the year 2021. As a result, the Company's operating results had losses in the amount of 24.72 Million Baht (as specified in consolidated financial statement) resulting from raising of raw materials prices and impairment of investment in associated company was recorded. Although the Company has to face a highly competitive situations, but the Board of Directors together with all employees will put their energy and afford to take the organization to grow sustainably.

On behalf of the Board of Directors, the Top Management and all employees of N.D. Rubber Public Company Limited, would like to thank all shareholders, including business partners for all the trust, including the always supporting from government agencies, and private sectors to the Company's operations. the Company is committed to conduct business with awareness of its responsibility towards society, environment, stakeholders, in order for good sustainably returns.



Mr. Pongsak Swadwan
Chairman



PART 1

STRUCTURE AND BUSINESS OPERATIONS

1. STRUCTURE AND BUSINESS OPERATIONS

1.1 Structure and Business Operations

1.1.1 Vision, Mission, Strategies and Goals in Business Operation

Vision

NDR aims to enhance products, services and business through continuous development processes for sustainable growth.

Mission

We will implement continuous improvement processes in all activities of the organization to provide products and services that meet the needs of consumers and are environmentally friendly.

Strategies

- Encourage all departments to continually review the development process and apply in the main tasks that need to be done on a regular basis.
- Use modern technology to optimize the production process and environmentally friendly.
- Innovate to add value to the product to meet consumer needs.
- Promote activities to develop stakeholders as well as conducting business by adhering to transparency and fairness to trading partners throughout the supply chain.
- Seeking new partners to create opportunities and reduce the risks to the business.
- Looking for new business partners to expand or step into new businesses.
- Increase the decision-making power of employees to increase the conceptual framework, give employees more creative freedom and create an innovative culture.

Goals

We aim to be an organization with sustainable growth with good corporate governance principles, conducting business with consideration for the environment and society for the best interests of all groups of stakeholders.

1.1.2 Important Changes and Developments

Year 2014

March Completed tire mixing building and set up a compound mixing machine

- April Made a memorandum of understanding with Thai Suzuki Motors Co., Ltd. to manufacture and sell motorcycle tire in local OEM is currently under patent registration.
- May Increase registered capital another 65.0 M. shares, share value at 1.0 Baht, total registered is 215.0 Million Baht and registered its conversion into Public Companies.

Year 2015

- January Share listing with mai open for public
- May Completed tire mixing building and set up a compound mixing machine
- May Made a memorandum of understanding with CEAT Limited a customer in India to manufacture tire under "CEAT" trademarks.

Year 2016

- April Launching new product. It's new innovation to replace Tubes, In the name of "AIR LOCK", of which Safety and saving is better than Tubes.
- October Installation the Solar Cells System for 99X KW. The purpose is for own consumption.
- November Making agreement with partners to establish the joint venture company for manufacturing Car Tires.
- December Established the joint venture company "Mascasey Trading Company Limited" for increase sales channel for Motorcycle Tires and Motorcycle Tubes.

Year 2017

- November Established a subsidiary company in the name of N.D. Energy Fusion Co., Ltd. Its main business is designing, research and development and distributor of electricity transmission equipment both wired and wireless to support all types of applications.
- December Negotiations on the acquisition of all shares of Fung Keong Rubber Manufactory (Malaya) Sdn Bhd ("FKRMM"). The transaction is expected to be completed by February 2018.

Year 2018

- February Officially holding all shares of Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.

Year 2021

- May Invested in ETRAN (Thailand) Co., Ltd., a manufacturer and distributor of electric motorcycles in Thailand.

Year 2022

July Established a subsidiary company in the name of N.D. Green Planet Co., Ltd. to produce and sell electricity produced from solar energy to companies in the group.

- 1.1.3 Use of funds for fundraising purposes according to the resolution of the 2022 Annual General Meeting of Shareholders held on 29 March 2022 which approved the issuance of warrants to purchase ordinary shares of N.D. Rubber Public Company Limited (NDR-W2) to allot to the existing shareholders by way of Right Offering.

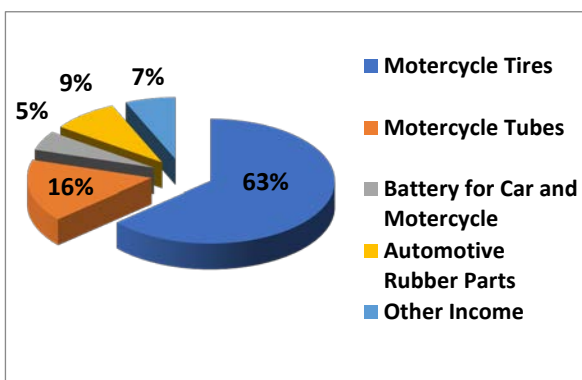
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1.2 Nature of Business

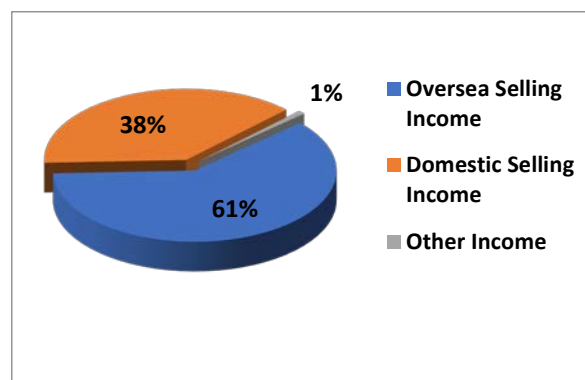
1.2.1 Revenue Structure

Product sales revenue structure divided by type of products of the Company and divided by geography in the past year as follows:

Revenue Structure by Product

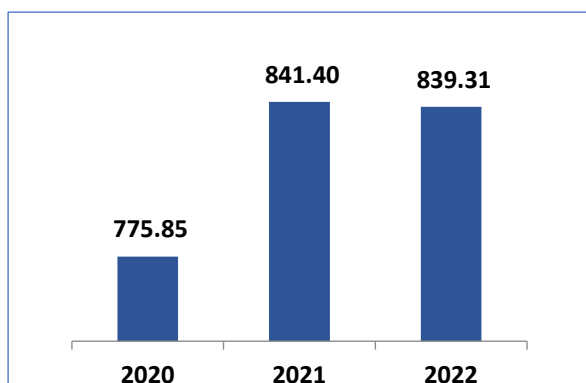


Revenue Structure by Geography



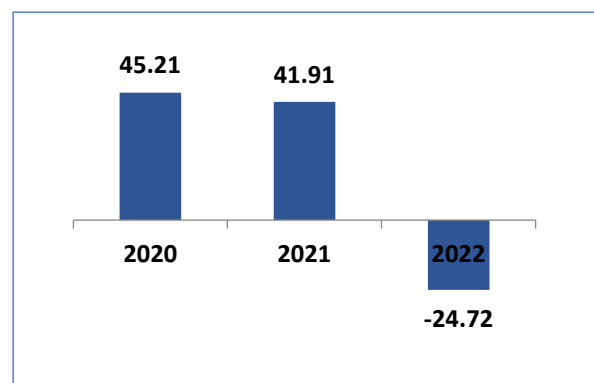
Sales Revenue

Unit : Million Baht



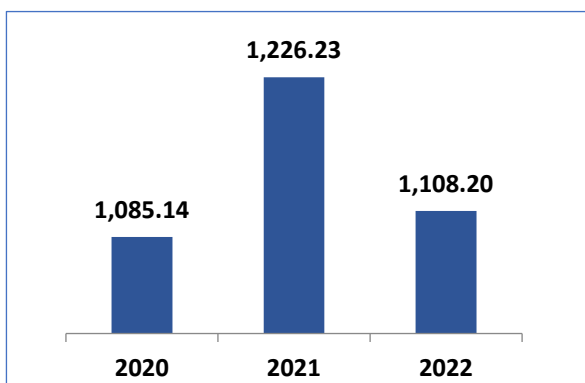
Profit for the Year

Unit : Million Baht



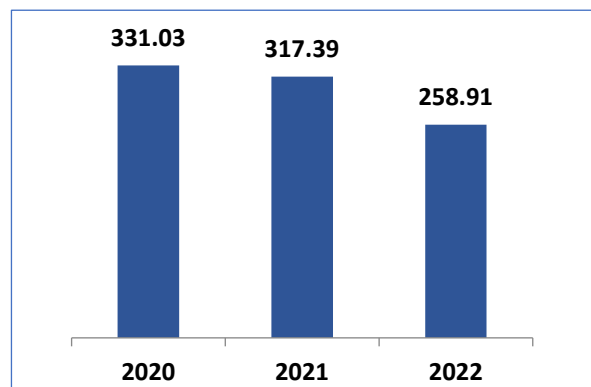
Total Assets

Unit : Million Baht



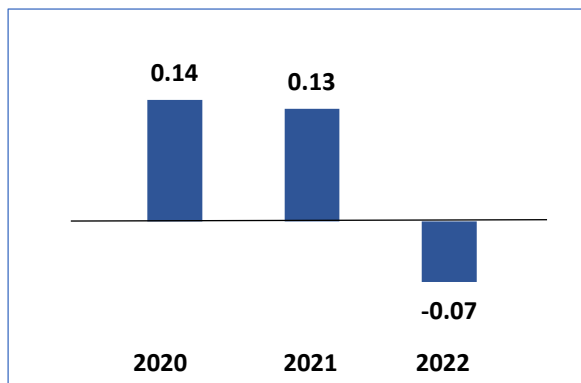
Total Liabilities

Unit : Million Baht



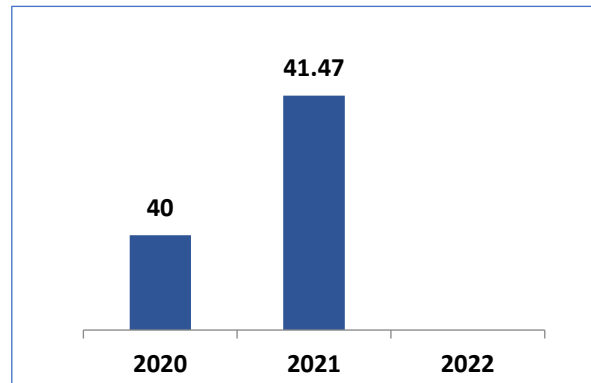
EPS

Unit : Baht per Share



Dividend Payment Ratio*

Unit : Percent



1.2.2 Description of Products

1.2.2 (1) Product Characteristic

N.D. Rubber Public Company Limited

The Company manufactures and distributes motorcycle tires and tubes to both Original Equipment Manufacturer (“OEM”) and Replacement Equipment Manufacturer (“REM”) for both domestic and overseas market in various types according to usage. In addition, AIR LOCK, an innovative product, is also produced and sold to replace inner tube.



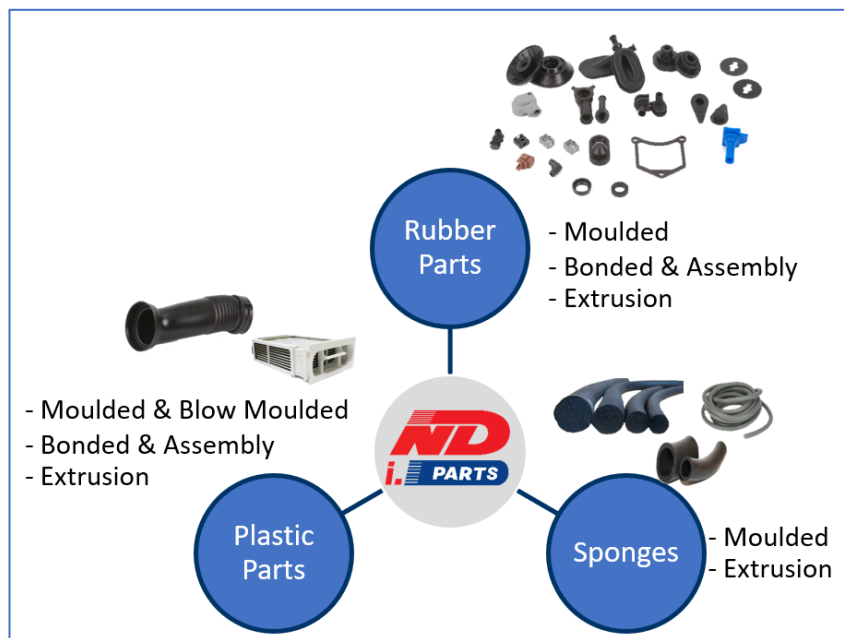
NDR is also a distributor of FB car and motorcycle batteries which will be sold to the related companies to increase the distribution channels and be traded according to the market price. The motorcycle battery will be sold to the dealer which is mostly a distributor of tires and motorcycle tires.

N.D. Interparts Company Limited

Operates the business of manufacturing and distributing rubber parts for automotive use and electronic equipment. Part characteristics can be classified by 2 manufacturing methods as follow:

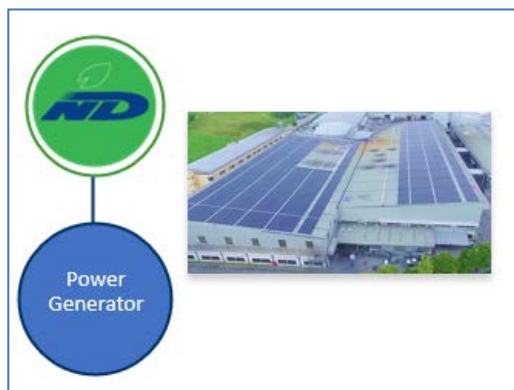
Rubber Compression Method The workpiece is formed by compression molding process to produce a range of precision rubber molded components. The characteristic of workpiece will be the same as original mold. Part in this category is O-ring, seal, rubber sheet and bush.

Rubber Extrusion Method The production of rubber parts by extrusion process through die. Part in this category is door gasket, glass gasket and rubber pipelines



N.D. Green Planet Company Limited

Operates the business of producing and distributing electricity produced from solar energy to companies in the group by installing solar panels of 2.1 MW.



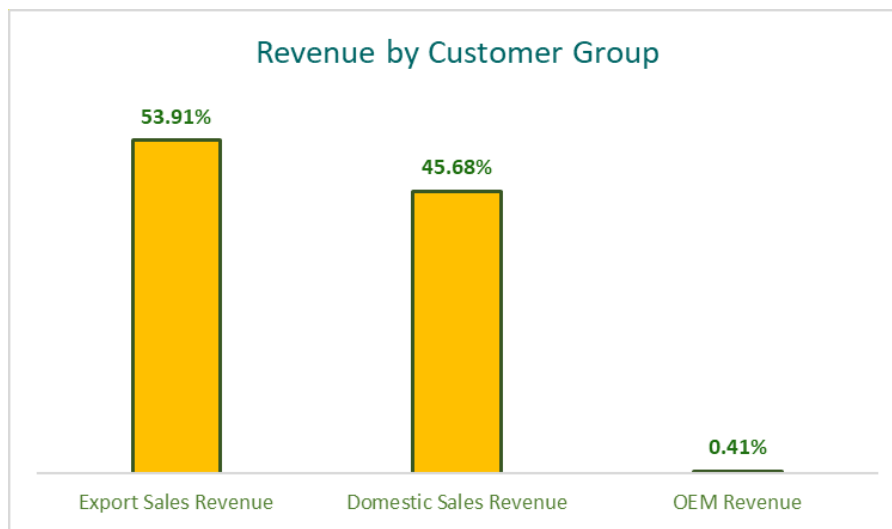
1.2.2 (2) Marketing and Competition within the Industry

Marketing Policy

Products in the motorcycle tire industry is classified as a “Me Too” product, which is a product that can be replicated which may be differences or distinctive features that are not very different. Therefore, it is classified as a group of industries that use product prices as the main competitive mechanism in the market. The Company therefore has clearly defined marketing policies as follows:

1. Target Group

The Company also focuses on expanding its business into foreign markets. Currently, our products are sold to Cambodia, Myanmar, Laos, Philippines, South Korea, Malaysia, etc. The Company also has a group of OEM customers, which consists of customers from motorcycle manufacturers and customers who request NDR to produce motorcycle tire and tube under their desired brand. In 2022, the revenue ratio is divided by customer group as follows:



2. Product Quality

The Company focuses on the quality of products that meet the needs of consumers including setting a fair price structure which suitable with product quality and able to compete in the market, and most importantly, all types of products must be certified according to industry standards as well as being certified by the standards of the partner countries that the Company produced and exported to those countries.

3. Market Survey/Consumer Needs

Although this industry is a “Me Too” product category, in order to differentiate itself from competitors, market surveys or consumer behavior surveys is the main strategy that the Company attaches with great importance in order to truly reach and understand the needs of consumers.

4. Research and Development

Research and Development Department that coordinates with the Marketing Department reflects the Company's focus on product development to truly meet the needs of consumers. In-depth information is collected and analyzed in order to formulate a product design, including the use of modern technology in the design to obtain quality products and create the highest satisfaction for consumers.

5. Brand awareness communication is the key to building recognition to create confidence in products and services, make the product valuable in the minds of consumers. The Company has two main communication strategies as follows:

- Online
 - Communication through social media to be in line with current consumer behavior
 - Public relations through mass media or news agencies
 - Influencer to communicate to draw attention in the product to target consumers
- Offline
 - Marketing promotion activities with distributors
 - Participating in Motorsport/Racing
 - Organizing seminar with distributors to build relationship
 - Joining road show/exhibition

Competitive Situation in the Market

As motorcycle tire industry is a product that is not much different in appearance and properties, and it is a product that can be used interchangeably causing consumers mainly choose products based on product price, resulting in product price being the main factor in competition in the market.

In addition, Thailand is a country that is open to trade liberalization. In the old days, products from other countries that were imported to sell in Thailand, must have to pay import tax, but at present, Thai government policies have allowed foreigners to set up factories in Thailand which is considered to increase the fierce competition because the factory of Thai nationality have to fight against foreign capitalists who set up factories in Thailand. For example, a manufacturer from China who has expanded its production base to set up a factory in Rayong which is the largest, top five in the world. From now on, the competition in Thailand will intensify.

1.2.2 (3) Procurement of Products and Services

The Company's main raw material is natural rubber. In 2022, natural rubber is accounted for about 22.12% of total raw materials, which been ordered from a major distributor in the south of Thailand which has a good relationship and business cooperation for more than 10 years.

Ordering raw materials from each manufacturer and distributor, the purchasing department produces a comparative data on the conditions of manufacturers and distributors once a year to use as a database for ordering. If new manufacturers and distributors enter during the year, the Company will compare with existing manufactures and distributors and stored as a database. However, the Company has a policy to distribute orders and will reduce the proportion of orders if it is found that too many raw materials are purchased from one supplier and will consider the quality of raw materials as an important factor. At present, the Company does not rely on manufacturers or distributors for more than 30% of the total raw material purchases and does not have a policy to enter into any monopoly contracts with manufacturers or distributors. As for the main raw material which is natural rubber, the Company will use the subscription method for approximately 2 months in advance to reduce the risk of price fluctuations.

The Company will produce products according to customer orders classified by product line. Details of production capacity and utilization are as follows:

No.	Product	Operated By	Unit	2020	2021	2022
1	Motorcycle Tire	NDR	Pcs/Year			
	Maximum Capacity			3,000,000	3,000,000	3,000,000
	Actual Production			2,004,800	1,958,077	1,736,290
	Capacity Utilization		%	66.83	65.27%	57.88
2	Motorcycle Tube	NDR	Pcs/Year			
	Maximum Capacity			7,200,000	7,200,000	7,200,000
	Actual Production			3,943,837	3,295,782	2,797,486
	Capacity Utilization		%	54.78	45.77%	38.85
3	Rubber Parts	NDI	Kgs/Year			
	Maximum Capacity			592,309	749,975	524,764
	Actual Production			151,355	279,571	205,802
	Capacity Utilization		%	25.55	37.28%	39.22

1.2.2 (4) Assets used in Business Operations

As of 31 December 2022, fixed assets that the Company uses for business operation has a net value after deducting accumulated depreciation equal to 526,769,308 Baht.

Fixed assets details are as follows:

Asset Type	Proprietary	Net value after deduction of accumulated depreciation (Baht)	Obligation
1. Land and improvements, Title Deeds Nos. 7913-4 and 7498, area 35,337 Square Wah (3 title deeds), located at Banbueng District, Chonburi Province to be used as factory building	NDR	33,305,828	Credit Guarantee
2. Land	FKRMM	70,354,697	No Obligation
3. Land and Improvement	NDR	135,996,680	Credit Guarantee
	FKRMM	70,640,018	Credit Guarantee
	NDI	521,366	No Obligation
4. Machinery and Equipment	NDR	182,268,761	No Obligation
	FKRMM	7,715,056	No Obligation
	NDI	7,805,145	No Obligation
5. Furnishing and Appliances	NDR	3,250,626	No Obligation
	FKRMM	240,187	No Obligation
	NDI	134,407	No Obligation
6. Vehicle	NDR	7,283,575	No Obligation
	FKRMM	2,028,266	No Obligation
	NDI	3,927,568	No Obligation
7. Assets under construction/Installation	NDR	1,297,127	No Obligation
Total		526,769,307	

Intangible property details are as follows:

Type Trademark/Copyright	Owner	Product/Service	Registration No./ Country of Registration	Protection Duration
1. Trademark 2. “ND Rubber”	N.D. Rubber Public Company Limited	- Car Tire - Motorcycle Tire - Bicycle Tire - Car Tube - Motorcycle Tube - Bicycle Tube	Kor1542/Thailand	10 Years
3. Trademark 4. “SK”	N.D. Rubber Public Company Limited	- Motorcycle Tube - Motorcycle Tire	180129073/Thailand	10 Years
5. Trademark 6. “Chang”	N.D. Rubber Public Company Limited	- Motorcycle Tube - Motorcycle Tire	201108923/Thailand	10 Years

1.3 Shareholding Structure of the Company Group

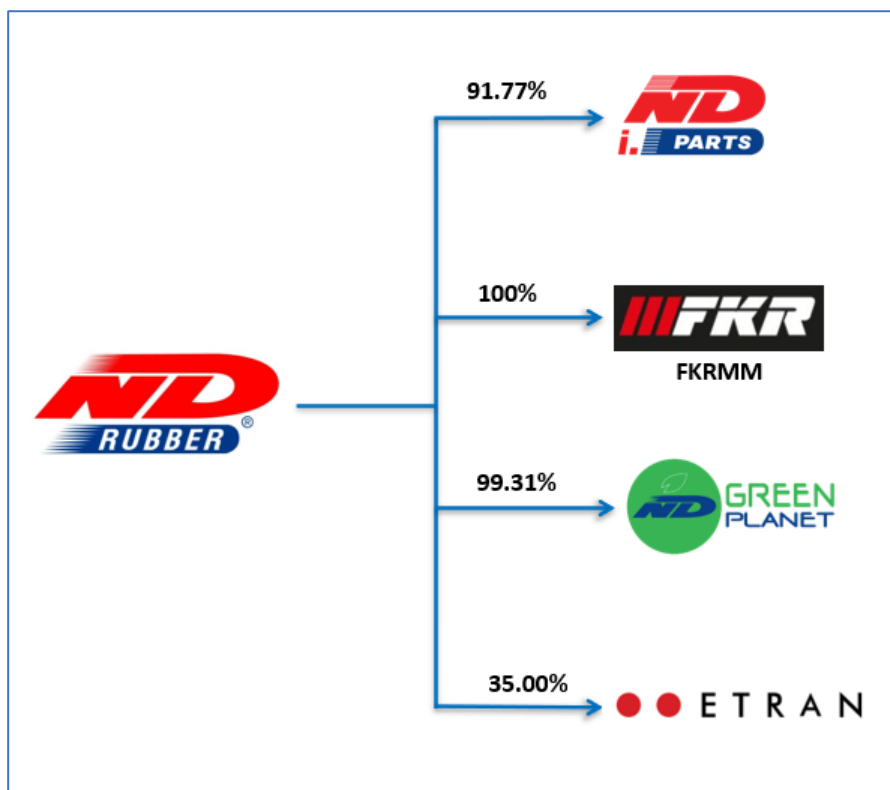
1.3.1 Shareholding Structure as of 31 December 2022

NDR started the business of manufacturing motorcycle tires by the Samrittivanicha family in 1994. Later in 2004, a subsidiary was established, N.D. Interparts Company Limited (“**NDI**”) to engage in the business of manufacturing rubber parts for automotive use. Currently NDR holds 91.77% of the registered capital.

Subsequently, in 2018, NDR acquired all shares of Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. (“**FKRMM**”), a major motorcycle tire dealer in Malaysia.

In 2021, NDR has invested in ETRAN (Thailand) Company Limited, a manufacturer and distributor of electric motorcycle in Thailand, where NDR holds 35% of the paid-up capital and is considered as associated company of the Company.

After that, in 2022, the Company has a concept of installing solar panels, therefore establishing N.D. Green Planet Company Limited to generate electricity from solar energy in which NDR holds 99.31% of total shares. However, it is still in the process of being installed which is expected to generate electricity in the first quarter of 2023.



Information of the Company and its subsidiaries name, location of head office, type of business, telephone number and the amount of paid-up shares will be listed in Section 5, General Information and Other Significant Information.

1.3.2 Relationship with the Business Group of Major Shareholders

The Company's major shareholder is Consistent Recode Sdn. Bhd. ("CRSB"), a Malaysian juristic person, with Bank of Singapore Limited as a custodian, operating a financial service business and holding 22.69% of NDR's shares. The director of CRSB own FKRM, which the Company acquired in 2018. In addition, the Company's main management is Mr. Chaiyasit Samrittivanicha and the Samrittivanicha's Family as the major shareholder holding shares in aggregate 47.32%. The group has many types of business which will have some connected transactions as normal transaction. The details are shown in the Connection Transaction section.

In this regard, the Company's core business operations are not related to or significantly related to the business operations of major shareholders.

1.3.3 Major Shareholders

1.3.3 (1) The Company's 10 major shareholders as of 7 April 2022 (latest book-closing Date)

Name of the shareholders	As of 7 April 2022	
	No. (Share)	Percentage
Samrittivanicha Group		
Mrs. Nittaya Samrittivanicha	75,093,202	21.65
Mr. Chaibasit Samrittivanicha	73,439,212	21.17
Mrs. Thunyarat Samrittivanicha	15,432,300	4.45
Mr. Chaiwat Samrittivanicha	133,660	0.04
Mr. Barom Samrittivanicha	51,250	0.01
Samrittivanicha Group	164,149,624	47.32
10 Other Major Shareholders		
BANK OF SINGAPORE LIMITED	78,695,100	22.69
Ms. Naiyana Fuangfukitpisan	8,776,550	2.53
Thai NVDR Company Limited	3,782,729	1.09
ETRAN (Thailand) Company Limited	3,221,000	0.93
Mr. Pawawit Klinpratoom	3,000,000	0.86
Mr. Somchai Vijitsangrat	2,900,000	0.84
Mrs. Supa Yungyuensoonthorn	1,900,000	0.55
Mr. Thana Maidaengthem	1,616,965	0.47
Mr. Pachara Buathongsri	1,580,000	0.46
Mrs. Kesuree Suntorn	1,492,287	0.43
Total	106,964,631	30.84
Other minority shareholder groups	75,777,259	21.84
Total	346,891,514	100.00

Remark: Samrittivanicha Group Major shareholders has influence to regulated policy, management or even company operations significantly.

1.3.3 (2) Relationship with the major shareholders

-N/A-

1.3.3 (3) Number of registered capital and paid-up capital

As of 31 December 2022, the Company had a registered capital of 433,614,392 Baht and paid-up capital of 346,891,514 Baht, divided into 346,891,514 ordinary shares and 0 preferred shares, at par value of 1 Baht.

1.3.3 (4) Other Securities

The 2022 Annual General Meeting of Shareholders held on 29 March 2022, the meeting considered and approved the issuance of warrants to purchase the Company's ordinary shares No. 2 (NDR-W2). The details as follows:

Warrant Name	:	Warrant to purchase newly issued ordinary shares of N.D. Rubber Public Company Limited No.2 (NDR – W2) being offered to the existing shareholders of the Company.
Issued Number	:	Not exceeding 86,722,878 units
Allocation and Offering Methods	:	Allocated and offered to the existing shareholders of the Company in the ratio of 4 existing ordinary shares to 1 unit of warrant, with no offering price.
Offer Price	:	0.00 Baht per unit
Term of the Warrants	:	2 Years commencing from the issue date
Exercise Price	:	3.50 Baht per share (Subjected to change according to the condition for adjustment of rights.)
Exercise Ratio	:	1 Unit of warrant is entitled to purchase 1 ordinary share. (The exercise ratio is subject to change in accordance with the specified condition in the adjustment of rights.)
The First Exercise Date and the Exercise Date	:	First Time : 1 December 2022 Second Time : 1 June 2023 Third Time : 1 December 2023 Last Time : At the expiration date of the warrants
Objectives of the issuance of warrants	:	To support its existing business and further invest in the new business focusing on business related to electric vehicles and used as working capital to enhance the liquidity of the Company.
Secondary Market of the Warrants	:	Market for Alternative Investment (mai)

As of 31 December 2022, number of unexercised warrants 86,722,878 units and number of remaining shares reserved 86,722,878 shares.

1.3.3 (5) Dividend Payment Policy

The Company declared a policy to pay dividend no less than 40% of the net profit after the deduction of the corporate income tax and legal reserve for the Company's financial statement. However, such dividend may changeable depends on future investment plan, liquidity, necessity and other appropriate reason. Thus, the Board Director's resolution approved to pay dividend shall propose to get the approval from shareholder meeting except the dividend during the period which the board of director has the authorize to pay during the period and report to shareholder meeting in the next meeting.

The Company and subsidiary have defined dividend policy to the Company at 100% of the net profit after the deduction of the corporate income tax and legal reserve for the Company's financial statement. In case of there is any subsidiary company shall declared a policy to pay dividend no less than 100% of the net profit after the deduction of the corporate income tax and legal reserve for the company's financial statement. However, subsidiary and/or associated company may defined to pay dividend less than the above rate if the Company have to spend net profit to expand company business operations.

Dividend payment rate for the performance in the past 3 years

Year	Net Profit Ratio (Baht/Share)	Dividend Payment Ratio (Baht/Share)	Dividend Payment Ratio Per Net Profit** (%)
2020	0.14	0.05	40.00
2021	0.13	0.03	41.47
2022	(0.07)	0.02	-

** The dividend payment in 2022 remains uncertain because it must be approved by the 2023 Annual General Meeting of Shareholders on 31 March 2023.

2. RISK MANAGEMENT

2.1 Risk Management Plan and Policy

The Board of Directors and Executives of NDR realize the importance of corporate risk management. This is part of good corporate governance and it's important base to support effective operations to achieve organizational goals and drive the organization to grow sustainably. The Company has appointed the Risk

Management Working Group to act as Risk Management Committee responsibility to define the risk appetite, to assess the affected of risk and seeking the prevention and report risk analysis to Executive Committee and Audit Committee to review every quarter as define by risk management policy as follow:

Risk Management Policy

- 1) The Company shall operate under acceptable risk so as the company can drive and growth stability.
- 2) All employees shall comply with adhere to the Company's risk management system and procedures at both the corporate and operational levels as stipulated by the Executive Committee, management, and Internal Control System.
- 3) Risk significantly and impact to company objectives must be manage as follows
 - Identify risks in a timely manner.
 - Assess consequence and affected of such event occur.
 - Manage risk accordingly.
 - Monitoring to ensure that risks are handled appropriately.
- 4) The Company has put in place a risk assessment process that takes into consideration external and internal factors that may hinder the Company from achieving its objectives, by covering key risks such as strategic, operational, financial, law and regulation, sustainability, new potential and climate change.
- 5) The Company has resolved that impact and likelihood of identified risks are assessed and that suitable risk mitigation strategies and plans are in place to manage risks and contain them within the appropriate risk appetite level.

Responsibility

- 1) The Board of Director: Responsible to overall company risk management
- 2) Audit Committee: To ensure the company has effective risk management system including risk was manage accordingly.
- 3) Risk Management Working Group: acts as a risk management committee, the General Manager of Human Resources is responsible for the highest responsibility.
 - Establish risk management policy and review periodically.
 - Assess the likelihood and consequences occur.
 - Review risk and guidelines for risk management as stated as well as giving suggestion for improvement.
 - Report risk found to the audit committee.
 - Conduct risk management committee at least quarterly.

- 4) Internal Auditor: Responsible for reviewing the effectiveness of risk management controls including follow up improvement.
- 5) Management and employees: Risk identification ability and giving appropriate risk management guidelines and propose to the Board of Director or supervisor.

Risk Management for the year 2022

For the year 2022, the Risk Management Working Group held a total of 7 meetings and found that there are important risk as follows:

- 1) The risk that the Company has not yet prepared a succession plan for senior executives which plays an important role in the Company's business operations.

Risk Management: Assign Human Resources to prepare a succession plan to determine how to prepare for personnel to take up the position.

Result: The Human Resources prepares succession plans for senior executives and positions with specific expertise then approved by the Board of Directors on 12 May 2022.

- 2) The risk that the Company may not comply with the law relating to business operations especially the new law or the amended that has been announced.

Risk Management: Assign Human Resources to monitor and report laws that related to business operations, both new and amended laws, which announced enforcement and invite employees related to that law to propose operational guidelines to comply with the law at every Risk Management Working Group meeting.

Result: The Human Resources and related employees updated laws and reported each month to the Risk Management Workg Group meeting and found that the Company have taken various actions completely as required by law.

- 3) The climate change risk that may affect government policy changes in some countries which may require natural rubber, which is one of the Company's main raw material must be certified by Forest Stewardship Council (FSC) and the Program for Endorsement of Forest Certificate (PEFC).

Risk Management: Assign the Procurement to notify such news to relevant suppliers to prepare and select partners with good resource management and does not destroy the environment in order to be ready for certification for FSC and PEFC once it is announce. Including following up on government policies/regulations and relevant requirements for forest management system certification standards.

Result: The Procurement has revised the supplier selection requirements and has followed up and notified news about forest management system certification to partners for further action.

- 4) The climate change risk that may result in changes in government policy in some countries which imposes a fee or a carbon tax on products that emit carbon dioxide into the atmosphere.

Risk Management: Assign the Export Sales to find out the countries and products that want to be exported. The Sustainability Department Working Group conducts the Carbon Footprint of Product (CFP) to assess the amount of GHG emissions and the Production Department to find ways to reduce GHG emission in the production process.

Result: The Export Sales collects country and products to be exported which may request the results of the carbon footprint. The Sustainability Development Working Group is in the process of calculating the product's carbon footprint and the Production Department has set up a project to reduce the amount of waste.

2.2 Risk Factors for the Company's Business Operation

Risk from market competition and new entrepreneur

There are a lot of existing entrepreneurs in manufacturing of motorcycle tires and tubes, thus being conducive to intense competition especially in pricing. A key factor to success in manufacturing of motorcycle tires and tubes business is effective cost management and product quality standard, standard delivery on time and complete quantities in accordance with customer requirements and developing international service standard. The Company gives importance to its employees, an important resource in business operation, by offering reasonable compensation and providing regular training to enhance their knowledge, capability, and awareness in skill development.

Risk from reliance on a major supplier (Supply Chain)

The Company procures natural rubber from one major supplier with high volume enables the Company to receive a competitive price and rest assured of natural rubber supply in shortfall situation.

Nevertheless, the Company is in the process of searching for new suppliers who can allocate natural rubber with quality that meets the specified standards at a reasonable price to be alternative at least 2 sources. Prior to placing purchase orders, our staff will compare daily selling prices quoted by at least two suppliers and traders. Procurement decision is made based on factors such as nature of products, prices, lifetime, etc.

Risk from the volatility of raw material prices

The tire industry is one of the industries affected by oil prices because the raw materials of the tire industry are linked to the petroleum and petrochemical industries. If the price of crude oil in the world market is adjusted up or down, it will result in the price of raw materials increasing or decreasing as well. In addition, the price of natural rubber and synthetic rubber in the country will refer to the selling price in the world market that is traded with the US dollar, so the exchange rate of the Baht against the US dollar. As a result, it also influences the price of natural rubber and synthetic rubber in the country.

In 2022, the price of natural rubber, which is the main raw material of tires, on average was considerably higher than in 2021, in line with the global crude oil price situation, which has a tendency to increase in demand for oil in the manufacturing sector. After the activities began to return to normal and many countries have begun to reserve oil for use, while OPEC Plus members continue to increase production gradually, inevitably pushing oil prices in the world market to a higher level. As a result, crude oil prices rose. Although the selling price in the tire industry group can adjust the price according to the raw material price, but the price adjustment cannot be done immediately. It will take a period of time according to the competitive mechanism in the market.

The Company has a policy to support fluctuations in raw material prices, the movement of raw material prices in the country and abroad is closely assessed. The direction of the price trend is analyzed and bring it to plan for ordering including the assessment of the Company's raw material demand in each period as well as considering importing raw materials from abroad in order for the Company to able to manage raw material procurement for maximum efficiency.

Investment Risk

The Company still focuses on developing opportunities to expand into other business both in domestic and international, in order to grow the organization continuously in the long term. The strategy to expand investment might cause risk of return on investment which may not meet the target under economic conditions, environment, changes in laws or regulations of the investment country.

In this regard, the Company has a policy to invest in subsidiaries to operate supporting businesses in the Company's line of business and increase competitiveness. As of 31 December 2022, the Company's investment value in subsidiary is 414,504,632 Baht. In addition, the Company has appointed executives to serve as directors and executives in subsidiaries to participate in the administration closely and formulate important business policies and strategies including monitoring the operations of the subsidiary

to ensure that it has implemented the policies set by the Company and reports the progress of the operation every quarter.

Emerging Risk

- Emerging risk that motorcycle manufacturers change to use tubeless tires (Tubeless “TL”)
From economic conditions and surveys of changing rider behavior, it was found that motorcycle manufacturer switch to use more new models entering into the market to use TL tires resulting in the reduce demand for motorcycle inner tubes. Therefore, the Company assigns the Export Sales to find new markets in undeveloped countries and continue to use more tires that still use tube types (TT”) and focus on generating revenue by pushing more sales of TL tires to increase market share, including suspending investment in the production process of TT tires and tube production processes.

Financial Risk

- Risk from interest rate fluctuations
The Company may be exposed to interest rate increases which impact on financing costs, financial position and business performance. The Company currently has a working capital both in short-term and long-term. The Company has a risk management policy by adding various of financial instruments to manage interest rate to be suitable for the nature of the business.
- Risk from foreign exchange rate
The Company has costs of purchasing some raw materials from overseas suppliers or traders and recognize sales revenue in foreign currencies. Forward contracts will be executed in full amount with local commercial banks. In addition, the Company have foreign customers, therefore, a foreign currency bank account was opened to receive payment for goods and used to pay for raw materials that must be imported from abroad in order to hedge against foreign exchange risk that could affect its performance.
- Company Liquidity Risk
As company has continuously expanded its investment both extending the existing business and improving the production process to be an automation system, working capital is considered to be so important which might impact company liquidity. Though, the Company concerned on management planning focusing on investment in the way of varies financial instruments in raising funds from shareholders and investors, with working capital management in effective operations. Simultaneously, the Company continues to operate its business with full responsibility to creditors and financial

institutions throughout the terms of compliance and loan agreement. From this reliability factor, financial institution allocated credit lines and loan facilities for business expansion or working capital.

Operational Risk

- Risk from delay in collection of payments or debts from customers

The Company has a policy to distribute products by granting credit terms to customers. The Company could be exposed from risk involved with customer payment for goods and services or their late payment of debt. The Company assigned Chief Financial Officer together with General Manager of Sales Department to consider and approve a credit line and credit term for new customers and review on existing, to monitor the follow-up and collection and decide on legal action accordingly. In addition, the Finance Department was assigned to expedite the follow-up of overdue debtors, consider stopping the sale when the debtor is unable to pay the debt according to the agreement, as well as consider litigation proceedings according to the law.

- Risk from Information Technology

Due to the Company operations mainly rely on information technology system for moving the organization to support business strategies, and presently Cyber Threat is continuously developed and growing threat that is increasing in every organization. It may be impacting the credibility, the confidence of customers, and investors or may impact the business strategy. Thus, the Company has taken into consideration as a risk and find management measures to prevent such risks. Safety policy formulation on information technology systems and guidelines for the use of computers and the internet correctly and safely. Develop a system or program to monitor behavior and manage threats that attack. Regularly test and evaluate the protection system as well as creating a plan to respond to threats in the event of an attack and regular test the plan which covering access control, confidentiality within the organization, protect the integrity of information and build confidence that information systems are ready for business continuity by creating a backup system that can restore data quickly and accurately.

- Safety, Health and Environment Risks

The Company is aware of safety, health and environment from operation in business groups which lead to loss, injury, and illness which will affect disruption and business continuity including the impact on the community society and environment such as the risk of accidents from transportation, risks from factory and working at height. The Company has determined guidelines and operational standards to manage risks of safety, health and environment as follows:

- ♦ To determine and announce the safety, health and environment policy to encourage employee to realize the importance of working under the policy of “Zero accidents at work, eliminate actions and environments that fall below safety, occupational health and working environment standard, will be eliminated”.
- ♦ Established Occupational Safety, Health and Environment Committee to manage all risks including take care of operating office in each area to prepare and respond to emergencies.
- ♦ Organizing activities to promote health, good and safe environment in the workplace.
- ♦ The Company has waste management system to prevent the impacts on environment and the community, for example, by waste segregation till the disposal of waste by reliable agency, provide a waste trap and grease and also wastewater analysis by external inspector.
- ♦ Communicating and providing preventive information to all employees about health care, the use of equipment to prevent the spread of disease, report of risk areas and temperature measurement every time before entering the work area.
- ♦ Follow up on risk management results through various risk indicators and report in Management Review Meeting and the Audit Committee for acknowledgement.
- ♦ Organized a training program “JSA Find and Eliminate Occupational Hazards” so that employees can formulate preventive measures and correct the causes that may cause accidents to reduce the risk of work.

Social Risk

- Social and Community Risks

The Company realizes the importance of taking care of all groups of stakeholders and taking into account social and community risks such as human rights, social and environmental. The Company, therefore, assigned the General Manager of Human Resource and Administration Department to have a duty to supervise and take any related actions to enable the organization to comply with the policy on social, community and environmental responsibility as well as complying with the business ethics policy. The Company supports and promotes the development and continuous implementation of the good governance policy, cultivate a good consciousness in conducting business with social responsibility. Be honest, transparent, have an ethical practice. Carrying out legal compliance strict on rules and regulations related to the Company's business operations. The Company does not support the act that violates any intellectual property or copyright together in against all forms of corruption. Give priority to basic human rights, fair practices, promote respect for rights and freedoms through non-discrimination, includes the freedom to give opinions without interference. Provide a

communication channel for listening to opinions of stakeholders and a channel for receiving various complaints to the Company. There is policy to protect the whistleblowers in the organization.

- Risk of Human Rights Violations in the Supply Chain

Risk of Human Rights Violations in the Supply Chain may cause consequences, for example, resulting in collaborative processes not going according to the plan, reputational damage in case of legal action or the Company may lose group of partners or important customers, etc. In order to mitigate this potential risk, the Company has established a Code of Conduct for executives, employees, business partners and customers to strictly adhere to and have a follow-up regularly. In case of violates actions found, there are channels through which such persons can file complaints . In addition, the Company has also established a Personal Data Protection Policy to comply with the law. In 2021, the Company has not received any complaints about human rights violations in the supply chain.

- Compliance Risk

The risk which is impacted from changes in relevant laws, and regulations from both domestic and foreign governments in which the Company invests. Changes in regulations and policies may cause the Company not be able to comply with the changes or incomplete which affect the reputation and image, financial and operational impact, competitiveness and investment. The Company has implemented risk management measures by monitoring changes in laws, regulations and policies to keep up with the situation and prepare to respond to changes in order to analyze appropriate strategies. There is a Good Corporate Governance Policy and Code of Conduct which is communicated to all employees to know and adhere. Changes are monitored through the Human Resources Department and Risk Management Committee. Establishing a legal database system and tracking changes so that all units can operate in accordance with the law related rules and regulations.

3. Driving Business for Sustainability

3.1 Sustainability Management Policies and Goals

The Company conducts sustainable business by balancing a stable society and a good environment while growing the business. Corporate social responsibility is part of the Company's business operations. There are guidelines for developing and adhering to a responsibility to all stakeholders for sustainable mutual benefits in line with the Sustainable Development Goals ("SDGs") which covers the economy, society and environment. In order to ensure a balanced and consistent operation, the Company appointed the

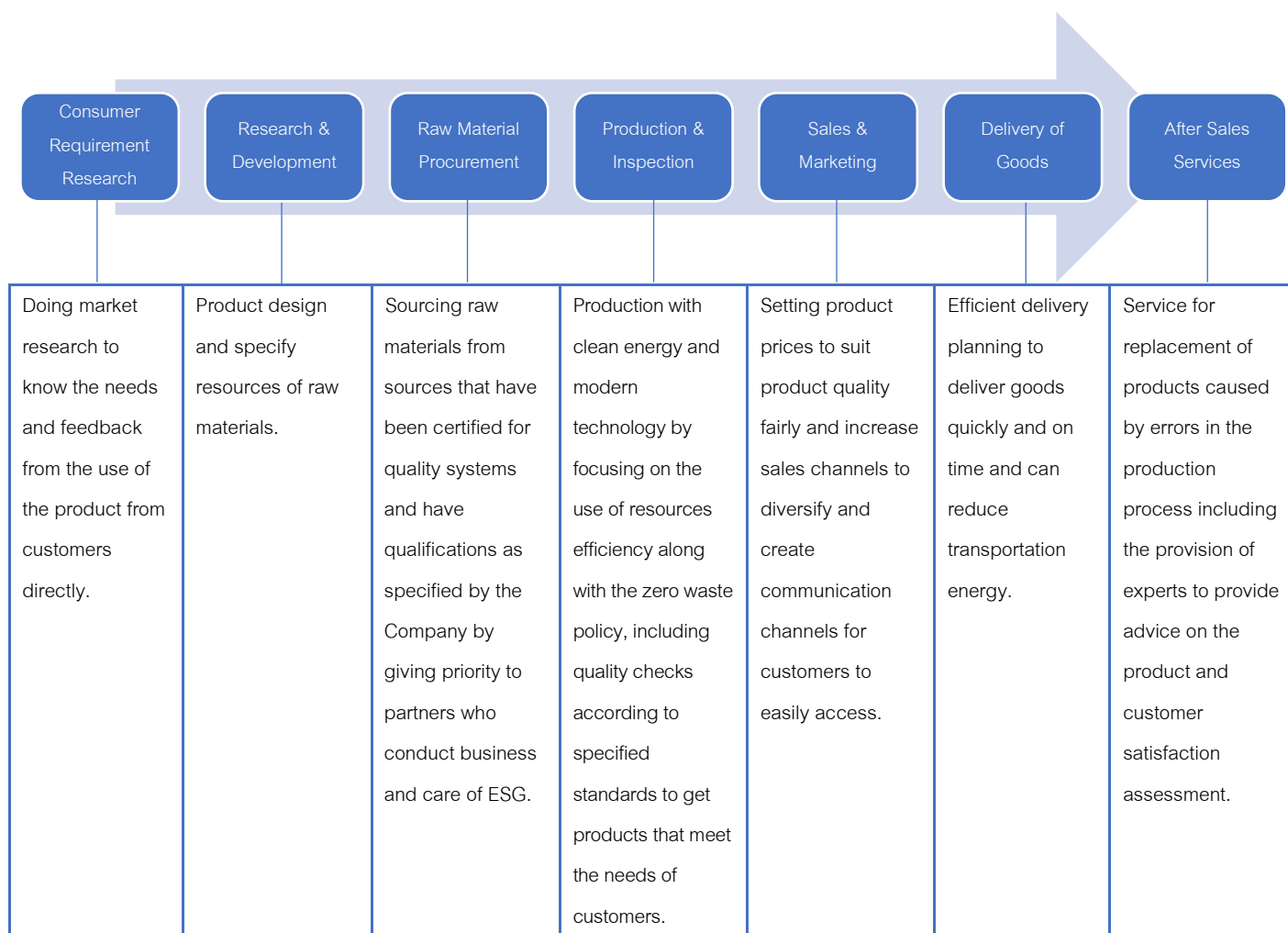
Sustainability Development Management (SDM). The committee helps enable sustainable development operations socially and environmentally and balances business growth to create a clear and consistent policy based on good corporate governance as the most important foundation. The Company also strives to develop sustainability throughout the value chain and support stakeholders to grow sustainably along with the Company.

Environmental	<ul style="list-style-type: none"> ● Operate the business with consideration to minimize environmental impacts and use resources efficiently. ● Promote the creation of business innovations that are environmentally friendly.
Social	<ul style="list-style-type: none"> ● Commit to human resource development and take into account the principles of human rights, labor rights, safety and hygiene, including creating a good working environment for corporate sustainability. ● Promote and support employees' awareness of responsibility towards communities, society, environment and stakeholders.
Governance	<ul style="list-style-type: none"> ● Operate the business in accordance with the principles of good corporate governance for listed companies (CG Code). ● Continuously promote operational development throughout the organization's value chain.

3.2 Managing Impacts on Stakeholders in the Business Value Chain

3.2.1 Business Value Chain Analysis

N.D. Rubber Public Company Limited conducts business with responsibility according to the principles of good corporate governance and take into account the social and environmental impacts to drive organization for sustainable development. This action has been raised to the stakeholders of the Company in order to mutually drive and promote sustainable business cooperation. The Company takes into account the relationships of key stakeholders in its business operations from upstream to downstream to reflect that we are committed to creating value of products and services in order to meet the expectations of all stakeholders. The Executive Committee therefore analyzes the business value chain as follows:



The Company certified in the ISO9001:2015 and IATF16949:2016 quality management system standard to strengthen reliability of its operations from ordering, receiving, and delivering to the customer. Customers can be assured that they will receive quality products and is accurate and complete according to the needs of customers. In addition, the Company has improved and developed testing laboratories by adding more modern testing machines, capable of performing tests quickly and providing effective results. This represents our commitment to delivering products that can fulfill consumer demands with quality that meets internal standards.

3.2.2 Stakeholders Analysis in the Business Value Chain

The Company always engages with internal and external stakeholders to maintain good working relationships. This includes creating an understanding of the management of priorities and communicating the Company's business benefit expectations. From the assessment of the expectations of each

stakeholders, it was found that there is a level of impact and influence on the Company at different levels.

The top 3 stakeholders are shareholders, customers and employees.

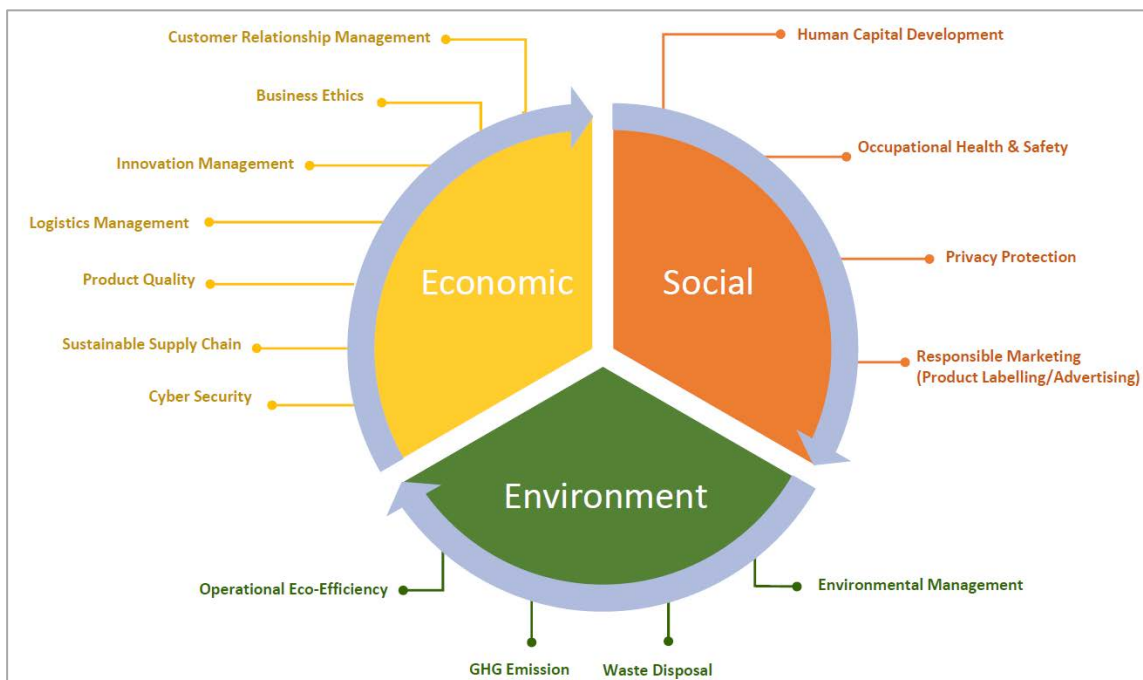
This stakeholder engagement is part of our business ethics and commitment to achieving best business practices. The Company has analyzed the stakeholders in the business value chain and divided into stakeholders within and outside the organization as follows:

Stakeholders	Stakeholder's Expectation Issues	Response to the Expectations of Stakerholders
Stakeholders within the organization		
Shareholder (Investor, Shareholder)	<ul style="list-style-type: none"> - Higher stock price, return, dividend - Equitable treatment of shareholders - Growing business performance 	<ul style="list-style-type: none"> - Create a good profitable performance - Disclosure of company information through the SET's website and the Company's website. - Provide news to the media and disseminate important news through the SET continuously.
Employee (People who are directly employed by the Company / People who are employed by the Company through an outsource company)	<ul style="list-style-type: none"> - Income, compensation and welfare - Safety at work - Training and development - Affiliation with the organization - Growth business performance 	<ul style="list-style-type: none"> - Compensation and welfare allocation appropriately. - Appropriate and fair performance evaluation. - Improve work environment to be suitable and safe. - Provide training to development potential of employees. - Organize activities that promote participation to create relationships between the organization, supervisors and employees at all levels.
Stakeholders outside the organization		
Consumer (Customer who buy and who use products and services)	<ul style="list-style-type: none"> - Want to receive quality products that meet the needs, complete quantity and on time. - Get good service and meet the specified standards. - Reasonable price and competitive in the market. - Instructions for using the product - Product warranty - Products/Services that can create sustainable growth. 	<ul style="list-style-type: none"> - Deliver products and services with quality standards. - Controlling production and delivery to ensure quality and meet customer requirements. - Organized marketing activities to support sales volume to customers/dealers. - Staff training to serve customers. - Invent new products that meet the needs. - Increase communication channels to cover all groups of customers. - Policy for replacement products which caused by manufacturing errors.

Stakeholders	Stakeholder's Expectation Issues	Response to the Expectations of Stakerholders
Partner (Manufacturers, suppliers, service providers of the Company's core processes.)	<ul style="list-style-type: none"> - Purchasing and procurement that is fair, transparent and in compliance with the contract. - Pay for goods/services on time. 	<ul style="list-style-type: none"> - Payment of goods within specified period. - Selection of dealers according to the procurement policy that is transparent and fair.
Community / Social (Those who are affected both positively and negatively from the operation and use of product.)	<ul style="list-style-type: none"> - The Company's activities do not cause any impact on the community. - No pollution is released into the community. - Community members are safe in life and living. - Get help and solutions in the community. 	<ul style="list-style-type: none"> - Set up a team to take care of and build a good relationship with the community. - Operate the business by managing the environment in accordance with the law and does not affect the community. - Corporate in various activities as appropriate.
Government Agency (Those who supervise, issue rules, consider allowing any related to business operations.)	<ul style="list-style-type: none"> - Follow the rules, legal regulations and policies. - Facilitate communication and cooperate with government agencies. - Ethics and transparency in business operations. 	<ul style="list-style-type: none"> - Strictly comply with the laws related to business operations. - Comply and engage with government measures and activities as appropriate.
Competitor (Manufacturer and distributors of the same product)	<ul style="list-style-type: none"> - Fair and transparent trade competition. 	<ul style="list-style-type: none"> - Determine strategies according to business ethics in good faith and do not misrepresent the facts to discredit competitors.

3.2.3 Sustainability Identification

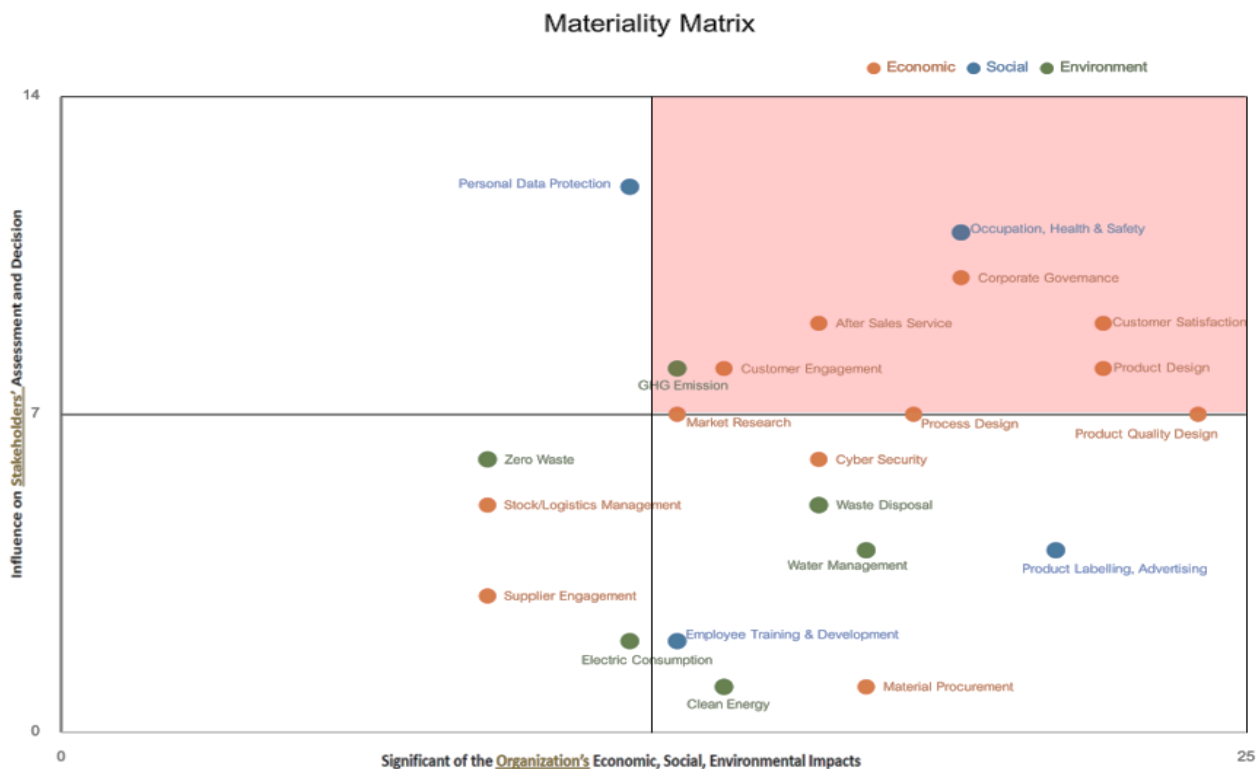
According to the analysis of the business value chain above, the Company found important sustainability issues between the Company and both internal and external stakeholders in each value chain, divided into economic, social and environmental dimensions as follows:



3.2.4 Materiality Analysis

The Company manages its sustainability issues by collecting and prioritizing them in connection to its business operations and considering issues arising from current and potential risk assessments that may impact NDR's businesses.

In this regard, the Company uses the process of engaging with stakeholders to get a perspective data and opinions to be analyzed before applying all the results to prioritize sustainability issues in order to manage various issues can respond appropriate stakeholder needs. Process of materiality assessment and prioritization are starting from analyze sustainability issues along the value chain, analyze the issues that matter to the stakeholders, analyze the alignment with the enterprise risk management and assess and prioritize sustainability issues with respect to importance to the Company and stakeholders which was approved by the Executive Committee Meeting No. 1/2022. Materiality assessment and prioritization is as follows:



3.3 Sustainability Management in Environmental Dimensions






3.3.1 Environmental Policies and Practices

The Company focuses on the use of resources that may affect the environment, therefore, Environmental Management Policy is set as part of business operations which must be subject to regulating laws and environmental regulations. It also takes into account that environmental conservation is the responsibility of all executives and employees to cooperate in the implementation to achieve the objectives. The Company focuses on minimizing its environmental impact by implementing and developing an appropriate environmental organization's energy management system.

The Company has established an Environmental Management Working Group to plan, support and evaluation of environmental performance. In addition, the Company has a project to control and reduce the amount of energy consumption and resource such as electric, water, paper and other campaign through various media including banners, e-mail, and other activities for employees to participate and to make employees realize the cost-effective use of energy, reduce unnecessary use of water and toilet paper. The Company also promotes the use of double-sided paper and requires electronic storage of documents to reduce the use of paper in the office.

Furthermore, the Company has the Occupational, Safety, and Environmental Policy focusing on risk management to prevent the loss in various forms as an accident, force of majeure arising from operations. As well as to encourage personnel and contractors to understand their duties and rights to stop working under unsafe conditions and can protect the environment which may affect life, property and community, including responding to customer needs in terms of safety, occupational health and environment.

Environmental Sustainability Goal

	Long-term Goal Within 2023	Short-term Goal			
SDGs					
Project	Reduce GHG emissions	Reduce water consumption	Reduce electricity consumption	Reduce the occurrence of waste in the production process	Reduce waste by circular economy (make trolley tire)
Target compared to the based year (2021)	The amount of GHG emissions decreased by 1,700 tonCo2-eq	Water consumption decreased by 16.64%	Electricity consumption decreased by 3.79%	The amount of waste in production process reduced by 2%	The amount of waste reduces by 700 grams per tire

3.3.2 Environmental Performance

Management to reduce greenhouse gas emissions

The Company places importance on management to reduce greenhouse gas problems. It was found that the Company's activities with the highest amount of greenhouse gas emissions were the use of coal and fuel from the Company's vehicles. The Company has started trial to make energy from other sources and change the Company's car to electric car.

In 2022, the Company's direct greenhouse gas emissions were 15,332 TonCo2-eq and indirect emissions of 15,437 TonCo2-eq, totaling 30,769 TonCo2-eq which decreased from 2021 by 2,398 TonCo2-eq or decrease of 7.23% by Ms. Nisarat Jaiyossao as an Auditor from the Center of Excellence on Environmental strategy for GREEN business (VGREEN), Faculty of Science, Kasetsart University.

Low Carbon Industry Development Project in the Eastern Special Development Zone under the Circular Economy Concept (CE-EEC 2022)

The Company has joined the CE-EEC 2022 project to represent its intention to develop and increase the competitiveness of the industry in the area, to reduce greenhouse gas emissions, to reduce the risk of shortage of raw materials and costs in the production sector, to reduce waste including reducing the use of resources in order to promote a low-carbon and sustainable industry in the country. In this regard, the Company received a plaque of honor as a prototype industrial factory.



Water Management

The Company has efficient wastewater management with treated effluent by pumping wastewater from the production process and from the staff's dormitory to the wastewater tank to pass through the oil separator tank and through the chemical pit process to make catalyzed flocculation reaction (Reaction Tank and Flocculation Tank). After that, it will be released through a pond for settling (Sedimentation Tank) to separate the sediment from water. The water will flow into the aeration tank to fill the air or oxygen in the water and released to the water sump to make the water clearer (Clarifier Tank) and forwarded to the reservoir again (Discharge Tank), which is the last step before releasing water to the pool to reserve raw water for further use in the water supply system. There is effluent that has been treated 41% of the total amount of effluent. Of these, it can be used in the production process and employee dormitories within the Company. In 2022, the Company can reduce the use of raw water by 27,787 cubic meters, which can reduce water costs by 555,740 Baht. For the year 2023, the Company has set a target to reduce water consumption in the production process by 16.64% from the base year.

Energy Management

The Company has efficient energy management by installing a solar rooftop system on an area of 5,874 square meters. The solar panel takes the energy from the sun and converts it to the Direct Current (DC) electricity. After that, it will send power to inverter system to convert DC power to Alternating Current (AC) power through MDB control cabinet with protection device to connect to the electrical system of the Provincial Electricity Authority. The Company uses the electricity generated from the installation of the Solar Rooftop in the production process. In addition, the low-efficiency air compressor was replaced and install a new air compress instead for the most efficient energy production. In 2022, the Company can reduce the use of electricity by switching to solar energy in the amount of 1,262,741 kwh, and able to save electricity cost amount of 5,222,346 Baht. For the year 2023, the Company has set a target to reduce electricity consumption in the production process by 3.79% compared to the base year.

Management to reduce waste in the production process

The Company encourages all personnel to participate in waste management both activities in the form of an overview of the organization and specific activities of each department, for example:

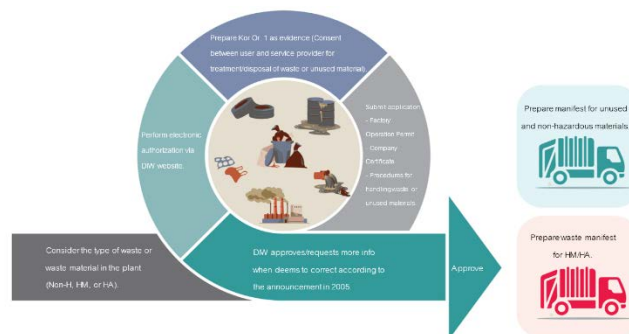
- *Waste Reduce Project for a Better Sustainability Life* – This project was organized in the Tire Curing Department. The objective is to motivate employees to understand the benefits of waste reductions and raise awareness of the potential impact on the environmental and economy. The project resulted in the Company reducing production costs and also reflect the benefits back to employees in the form of rewards as well. In addition, the amount of waste decreased from 2.56% to 2.04% compared to the year 2021.

An innovative project to reduce waste using the circular economy

- *Project for the production of trolley tire for carrying greentire* – This project reuses waste from the production process (Circular Economy) to produce trolley tires for internal use which reduces the amount of waste, reduce greenhouse gas emissions and help reduce costs of production. As a result of this project implementation, the Company was able to reduce the amount of waste that had to be sent for disposal by an external agency by 700 grams/tire, and was able to reduce production costs by 37,400 Baht/month or reduce the cost of buying trolley tire of 1,236 Baht/tire.

Waste Management from the Production Process

The Company has a systematic management of waste from the production process in accordance with the principles of 3Rs (Reduces, Reuse, Recycle), with an efficient separation system and methods of disposal according to the type of waste. The waste disposal service provider must be a person who has been approved by the Department of Industrial Works to ensure that waste from the Company will be disposed of in the right way with minimal impact on the environment.



In 2022, the Company has disposed of waste generated from the production in the amount of 389,489 Kgs. or about 389.49 Metric Tons divided into waste or hazardous materials in the about of 55.51 tons or equal to 14.25% and non-hazardous waste or unused materials, amounting to 333.98 tons or 85.75% of the total amount of waste disposed.

3.4 Community Sustainable Development

3.4.1 Social Policies and Practices

The Company conducts its business in accordance with the principles of corporate governance with transparency and accountability. It aims to concurrently improve its business and maintain a balance of economic, social and environmental awareness. One of the Company's pledges is to be a good corporate citizen, which operates sustainably, grows steadily and gains public recognition based on its code of ethics and corporate governance. The Company also strives for healthy returns to shareholders; however, any effects of its operations may have on all stakeholders are always taken into account.

In this regard, the Company has established a social responsibility policy which is divided into social operations or environmental activities which are part of normal business operations (in-process) and social and environmental activities that are outside of normal business operations (after-process). This includes respecting human rights by bringing Thai Labor Standards- Thai Corporate Social Responsibility (TLS8001-253) of the Ministry of Labor come into practice and upholding the Universal Declaration of Human Rights

and the United Nations Guiding Principles on Business and Human Rights: “UNGPs”. The Company emphasizes on labor practices and respect for human rights with fairness, equality and non-discrimination both in terms of employment, compensation, promotion, training and development and is part of the achievement of the Sustainable Development Goals (SDGs) of the country and the world.

Social Sustainability Goal

	Target			
SDGs	<div>    </div>			
Project	ND Cares of Your Travelling	JSA Search Eliminate Occupational Hazards	Training to Goal	As per Company Policy
Indicator	Number of institutes/Number of participates who may help reduce accidents	Shift supervisors and above are trained and can find accident prevention measures.	Average training hours of employees per year	Employment ratio of disabled person per 100 employees
Target	Training \geq 7 Institutes Participates \geq 50 persons/Institutes	100% of Shift supervisors and above attend training	8 Hours/Person/Year	1 Disabled Person / 100 Employees

3.4.2 Social Performance

3.4.2 (1) Employee and Labor

The Company adheres to the principles of human rights stipulated in the Human Rights Policy including employment to care for employees and personnel in order for all employees and personnel to feel that they are connected to the same family as the organization. In 2022, the Company has the following key employee operations:

Employment

As of 31 December 2022, number of employees classified by type of employment as follows:

Type	Number of Employees		
	Male	Female	Handicapped
Full Time Employee	171	94	-
Daily Employee	135	60	5
Total	306	154	5

In 2022, the Company received the Sustainability Model Organization Award in the Thai Capital Market for supporting persons with disabilities which organized by the Securities and Exchange Commission (SEC) in collaboration with the Ministry of Labor.



Employee Resignation

Type	Number of Employees		
	2020	2021	2022
Dismissal	0	0	0
Resignation (Male)	94	100	84
Resignation (Female)	29	35	36
Retirement	0	0	0
Total	123	135	120

Employee Engagement Assessment Results

Employee engagement assessment as of 31 December 2022 of 464 employees representing 100% of the total number of employees. The expected score must not be less than 2 points. The evaluation topic with the highest score was "I have a good colleague" with an average score of 3.26 points. The evaluation topic with the lowest score was "In the past 6 months, people talk about my progress in my career" with an average score of 2.31 points.

Staff Training

In 2022, the Company organizes training courses for employees to increase their skills and potential to work for employees totaling 19 courses such as Leadership and being a New Generation of Leaders, and Being a Modern Supervisor, Coaching Project, Carbon Border Adjustment Mechanism (CBAM) in Europe, etc. The average number of hours of training or knowledge development activities for employees 8 hours per person per year.

Safety, Occupational Health and Environment

In 2022, the Company continually improves and optimizes safety operations to reduce the risk of illness, injury or death and take care of the quality of life of employees appropriately. The Company provides various training courses for employees to prevent accidents such as arranging safety training and environmental protection such as forklift driving, fire-fighting and evacuation, training on the use of protective equipment, etc. to make all employees realize safe business operations. In addition, the Company has organized a project to train employees to reduce accidents. Details as follows:

- “JSA Search Eliminate Occupational Hazards” – The project was organized to provide knowledge on the analysis of work safety procedures. It is also a communication for supervisors from the assistant shift supervisor level up to the Manager level to be aware of the safety at work. The target of this project is 47 employees at the level of assistant shift supervisor or above to participate in the training 100% and be able to analyze to find dangers in the work process of their own department. The implementation steps are as follows:

Implementation Steps	Period
Study and compile related theories	2 Weeks
Prepare training materials	2 Weeks
Conduct training	2 Weeks
Prepare a workshop	1 Week
Evaluate workshop	1 Week
Project summary	1 Week

From the implementation of “JSA Search Eliminate Occupational Hazards”, it can be concluded that 47 employees at the level of assistant shift supervisor or above participated in the training (100%) and were able to analyze to find dangers in the work process. This led to the determination of the methods to prevent accidents caused by work in the amount of 9 items.

Accident Statistics Year 2022

Type	Accident Statistics Year 2022		
	Injury to leave work for no more than 1 day	Injury to leave work for more than 1 day	Died
Employee	1	7	0
Contractor	0	0	0

The Company has measures to prevent such accidents by improving work processes, modifying the work area and communicate to employees to realize the importance of operating procedures in order not to repeat the incident.

In addition, the Company also provides monitoring and measurement of the working environment at least once a year by measuring as the intensity of light at workplace, the dust, including the noise and temperature from the working environment and arrange for a certificate of electrical systems and electrical equipment. In 2022, it was found that the air quality standard, smell, sound, and light were within the normal range as required by law and there were no cases of chemical spills from business operations.

Due to the epidemic situation of the COVID-19 virus, the Company is concerned about the health and safety of its employees, therefore, it coordinates with relevant departments to ensure that employees receive vaccinations, provides medicines and necessary medical equipment, raise awareness and educate on prevention of infection, formulate daily routines to prevent and monitor the spread of the virus continuously.

3.4.2 (2) Customer

The Company continually develops products and services to satisfy customers with responsibility, honesty and ethics. In 2022, the Company has received satisfaction from customers at the level of 86.14% and there are complaints from customers on significant matters at the amount of 4 cases concerning services 1 cases and product quality 3 cases. The Company has already handled such complaints.

3.4.2 (3) Community and Society

The Company operates its business with responsibility to communities and society by focusing on reducing environmental impact and avoid operations that may have a negative impact on the quality of life of communities around the establishment. In 2022, there were no complaints from the community on social or environmental issues. In addition, the Company has organized social activities, details are as follows:

- *“ND Cares of Your Travelling”* – This project was organized to raise awareness of traffic rules on the road and increase the skill of riding a motorcycle safely by collaborating with A.P. Honda Co., Ltd. on behalf of Arkom Charoenyont Co., Ltd. organize both thoretical and practical training for students in technical colleges under the Official of the Vocational Education Commission Chonburi Province in order to reduce accident. In 2022, the target is to organize training for 7 institutions and attendees of at least 50 people/institution. However, due to the spread of the COVID-19,

many institutions have arranged for students to study online. Therefore, there were 4 institutes accepted to participate in the activity and a total of 659 students participated in the training.



3.4.2 (4) Company Activities and Social Projects

NDR has operated its business as a responsible member of Thai society for a long time, with a firm commitment to business ethics, transparency and good corporate governance, taking into account stakeholders such as customers, shareholder, employees and social. The Company aims to raise and improve the quality of life of people in society as a good foundation for building a sustainable and strong society. In 2021, the Company has supported social activities as follows:

SET Social Impact Gym 2022 – Idea to I-Done

The Company has joined the SET Social Impact Gym 2022 under the idea of “Idea to I-done”. This is a project to develop business potential for business people for society (Social Enterprise) to run business with strength and efficiency with the aim of having social business people take part in taking care of and solve social problems in various dimensions both in agriculture, vulnerable group, community development, health, education and environment and ready to expand the outcome both business and society sustainably.

In 2022, the Company has joined as a volunteer coach for Wannarak Hua Hin Co., Ltd., a social business to solve health problems by operating the business of providing care services for the elderly who are sick and lack of caregivers with standard, beautiful, safe accommodation in the area of Hua Hin District in Prachuap Khiri Khuan Province and nearby provinces with personnel and medical equipment supporting the standards of health care services, with love and warmth like relatives including rehabilitation activities,

quality food suitable for elderly patients with reasonable service fees. It also provides caregiver placement services for the elderly and sells products for the health of the elderly at affordable prices coupled with management operations “Anantarak Nursing School” offers courses for elderly caregivers and young children caregivers and expand the curriculum for health care. The aim is to produce personnel with knowledge, ability and integrity to provide health services, especially women, young mothers, widows and unemployed women or underprivileged both economically and educationally.



Participated by	Performance	Output	SE Results by SDGs Goal
Wannarak Hua Hin Company Limited			
Provide knowledge, opinion, and suggestions, as well as follow up on operating results, marketing, and support funds to expand product categories to generate business growth	SET Social Impact Gym 2022 started from August – 8 th August 2022. NDR participated as a volunteer coach for a total 23.90 hours over 5 weeks and provided business planning, consulting throughout the course, both at the SET office and online.	<ol style="list-style-type: none"> The company understands to goals of doing business through the Business Model Canvas and receives suggestions, share experiences in business both in-depth skills for each type of business and basic business skills. The company has learned to find strengths of the 	<p>Goal 1: End Proverty</p> <p>Goal 3: Ensure healthy lives and promote well-being for all people of all ages.</p> <p>Goal 4: Ensure inclusive and equitable quality education for all and support lifelong</p>

Participated by	Performance	Output	SE Results by SDGs Goal
		business, working with network partners, marketing planning including strategies to serve customers in different groups. In addition, it also sees business opportunities in the current situation, as well as setting a timeline for business development according to both short-term and long-term plans to meet the set goals through the perspectives, experiences and visions of the coaches.	learning opportunities.

Seminar activities for the course “Leadership and being a New Generation of Leaders”

The Company has organized a seminar course “Leadership and being a New Generation of Leaders” with a famous speaker, Mr. Narat Kunawatanakorn, come to lecture and give ideas for training in leadership development to increase the potential of employees in performing their duties.



Fire Training and Fire Escape Drills

The Company considers the safety of employees as the main priority, therefore, basic firefighting training has been provided and conducting fire drills for the year 2022 to prevent fires and losses within the Company. Training is conducted in the form of lectures on the theory of fire, composition and classification of fires and basic firefighting training including fire evacuation drills as well.



Annual Health Check-Up 2022

The Company cares about the quality of life and the physical health of employee, therefore, annual health checks are arranged for employees in which all employees participated in the activities together with a healthy body and mind.



4. Management Discussion and Analysis of Operating Results

4.1 Overall Business Operations

NDR would like to present the MD&A for the year ended 31 December 2022. The details are as follows:

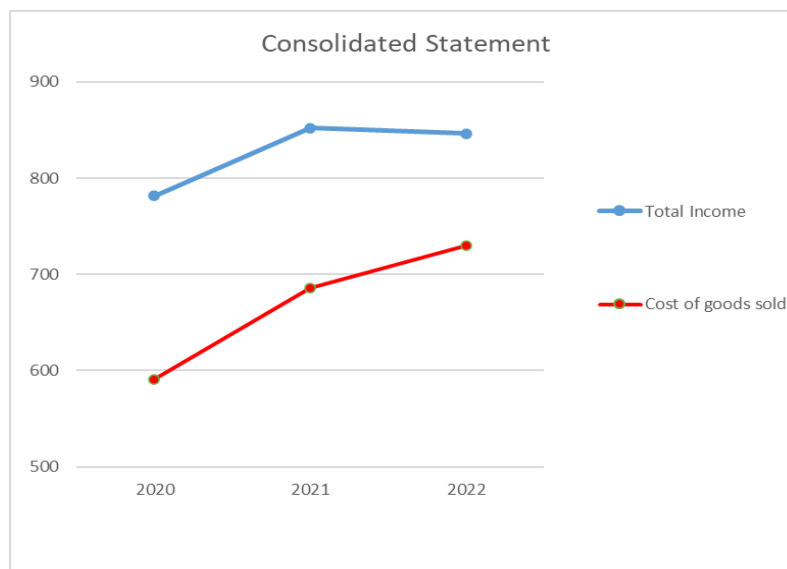
Company's Operation

Unit: Million Baht

Profit/Loss		2020	2021	2022	2020 : 2021		2021 : 2022	
					Different	%	Different	%
Consolidated Statement	Sales Revenue	775.85	841.4	839.31	65.55	8.45%	-2.093	-0.25%
	Profit (Loss) from Exchanged Rate	2.55	0.57	1.335	-1.98	-77.65%	0.765	134.21%
	Other Revenue	3.03	10.07	5.607	7.04	232.34%	-4.463	-44.32%
	Total Revenue	781.43	852.04	846.249	70.61	9.04%	-5.79	-0.68%
	Cost of Goods Sold	591.02	685.54	730.01	94.52	15.99%	44.473	6.49%
		75.63%	80.46%	86.26%				
	Selling Expenses	32.56	33.67	43.64	1.11	3.41%	9.969	29.61%
		4.17%	3.95%	5.16%				
	Administration Expenses	93.63	81.44	86.97	-12.19	-13.02%	5.53	6.79%
		11.98%	9.56%	10.28%				
	Gross Profit	184.82	155.85	109.29	-28.97	-15.67%	-46.557	-29.87%
		23.65%	18.29%	12.91%				
	Net Profit (Loss)	45.21	41.9	-24.72	-3.31	-7.32%	-66.62	-158.99%
		5.79%	4.92%	-2.92%				

Unit: Million Baht

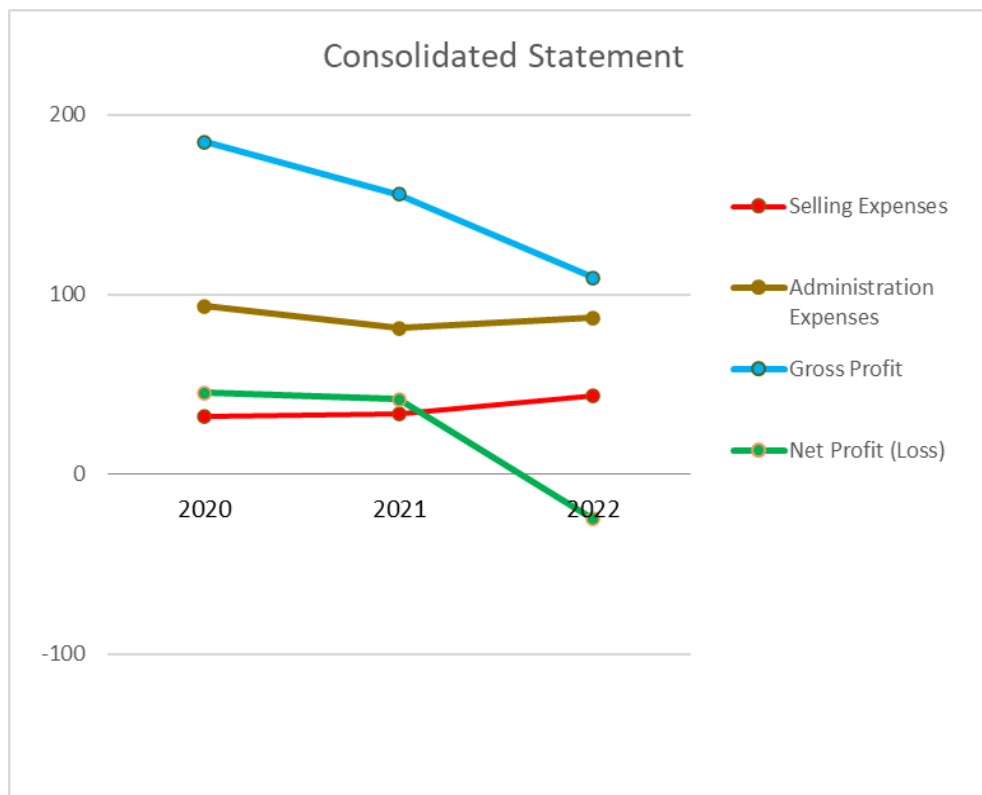
Profit/Loss		2020	2021	2022	2020 : 2021		2021 : 2022	
					Different	%	Different	%
Separated Statement	Sales Revenue	562.71	602.65	629.55	39.94	7.10%	26.898	4.46%
	Profit (Loss) from Exchanged Rate	2.55	0.57	1.34	-1.98	-77.65%	0.765	134.21%
	Other Revenue	14.08	16.12	4.88	2.04	14.49%	-11.237	-69.71%
	Total Revenue	579.34	619.34	635.766	40	6.90%	16.426	2.65%
	Cost of Goods Sold	478.42	544.14	603.84	65.72	13.74%	59.7	10.97%
		82.58%	87.86%	94.98%				
	Selling Expenses	7.46	7.66	9.14	0.2	2.68%	1.48	19.27%
		1.29%	1.24%	1.44%				
	Administration Expenses	42.80	34.77	37.48	-8.03	-18.76%	2.712	7.80%
		7.39%	5.61%	5.90%				
	Gross Profit	84.29	58.51	25.71	-25.78	-30.58%	-32.803	-56.06%
		14.55%	9.45%	4.04%				
	Net Profit (Loss)	39.41	25.09	-12.04	-14.32	-36.34%	-37.13	-147.99%
		6.80%	4.05%	-1.89%				



We can generate the revenue in 2022 almost the same figure with the revenue of 2021, even though the market is much shrinkage because of the inflation. We can keep our revenue by using the strategy to focus selling on high price and less competitive product. In 2022, we can expand our export market to Taiwan and Bermuda.

However, because the commodities' price is maintained at the high level, our raw material cost has been at high level all the year at 86% while in 2020 and 2021 it is at 75% and 80%.

Main portion of our loss is due to impairment in investment and loss from operation of N. D. Interparts Co., Ltd. because we had been allowed to increase the price at the end of the year 2565 and early of the year 2023.



We have loss in this year because the raw material cost is at high level all the year, although we have adjusted the price and control unnecessary expenses but still can't cover the high raw material cost. Moreover, the plan to sell the EV motorcycle (ETRAN) is late than our plan because of adjusting and improving the quality of the bike, so we have to book impairment for the loss of investment in ETRAN for 12 Million Baht. However, we can see the down trend of the raw material cost in the 4th quarter which should result in our figure around late of 1st quarter of 2023.

Assets and Liabilities

Unit: Million Baht

Balance Sheet (Unit : million Baht)		2020	2021	2022	2020 : 2021		2021 : 2022	
					Different	%	Different	%
Consolidated Statement	Current Assets	389.50	441.19	381.97	51.69	13.27%	-74.879	-16.97%
	Fixed Assets	695.64	785.05	726.22	89.41	12.85%	-43.165	-5.50%
	Total Assets	1,085.14	1,226.24	1,108.20	141.10	13.00%	-118.044	-9.63%
	Current Liabilities	274.20	265.89	213.24	-8.31	-3.03%	-52.647	-19.80%
	Long-term Liabilities	56.83	51.49	45.67	-5.34	-9.40%	-5.821	-11.31%
	Total Liabilities	331.03	317.38	258.91	-13.65	-4.12%	-58.468	-18.42%
	Retained Earnings	754.11	908.86	849.28	154.75	20.52%	-59.576	-6.56%
Separated Statement	Current Assets	172.05	196.21	168.22	24.16	14.04%	-27.99	-14.27%
	Fixed Assets	842.64	911.31	869.76	68.67	8.15%	-41.55	-4.56%
	Total Assets	1,014.69	1,107.52	1,037.98	92.83	9.15%	-69.543	-6.28%
	Current Liabilities	221.21	219.48	173.69	-1.73	-0.78%	-45.79	-20.86%
	Long-term Liabilities	18.62	17.58	16.28	-1.04	-5.59%	-1.30	-7.42%
	Total Liabilities	239.83	237.06	189.97	-2.77	-1.15%	-47.094	-19.87%
	Retained Earnings	774.86	870.46	848.01	95.6	12.34%	-22.45	-2.58%

- There is no impact change in our assets.
- Overall liabilities are decreased because of pay back debt to financial institution.

5. General Information and Other Significant Information

5.1 General Information

Company Name	N. D. Rubber Public Company Limited
Registration No.	0107557000179
Type of Business	Manufacturer and distributor of motorcycle tires and tubes, and distributor of battery for passenger car and motorcycle.
Registered Capital	433,614,392 Baht Divided into 346,891,514 Ordinary Shares, Par Value 1 Baht
Paid-up Capital	346,891,514 Baht Divided into 346,891,514 Ordinary Shares, Par Value 1 Baht
Head Office	129 Moo 3, Nongchak–Phanasnikom Road, Tambol Nongeiroom, Amphur Banbueng, Chonburi Province 20220 Telephone: (+6638) 160707 Fax: (+6633) 047348 Website: www.ndrubber.co.th
Chairman of Audit Committee	E-mail: auditcom@ndrubber.co.th (For complaints and report corruption clues and/or non-compliance with the code of conduct and/or good corporate governance)
Investor Relations	Telephone: (+6638) 160707 Ext. 112 E-mail: nopparat.c@ndrubber.co.th
Company Secretary	Telephone: (+6638) 160707 Ext. 112 E-mail: nopparat.c@ndrubber.co.th

Reference

Securities Registra	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building Ratchadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok 10400 Telephone: (+662) 009-9000 Fax: (+662) 009-9991
Auditor	BDO Audit Company Limited By Mr. Teerasak Chuasrisakul CPA No. 6624 or Mr. Narin Churamongkol CPA No. 8593 or Ms. Supachanya Thongpan CPA No. 10505 or Mr. Tan Kiang Peng Auditor at BDO Malaysia 42th Floor Exchange Tower, Room No. 4201-4204 No. 388 Sukhumvit Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110 Telephone: (+662) 636-0354 www.bod.th

5.2 Other Significant Information

N.D. Rubber Public Company Limited has 3 subsidiaries and 1 associate as follows:

Subsidiaries

Company Name	N.D. Interparts Company Limited
Registration No.	0205547017955
Type of Business	Manufacturer and distributor of automotive parts and part for electronic devices made of rubber
Registered Capital	6,100,000 Baht (Paid in full)
Head Office	129/2 Moo 3, Nongchak-Phanasnikom Road, Tambol Nongeiroom, Amphur Banbueng, Chonburi Province 20220 Telephone: (+6638) 160707 Fax: (+6633) 047348
Company Name	Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.
Registration No.	19390100003 (1011-W)
Type of Business	Importer and distributors of motorcycle tires and tubes
Registered Capital	30,000,000 Malaysian Ringgit
Paid-up Capital	20,000,000 Malaysian Ringgit
Head Office	No. 2A, Jalan Wawasan 3/Ku7, Sungai Kapar Indah, 42200 Klang, Selangor, Malaysia Telephone: (+603) 3291 1901 Fax: (+603) 3291 8848
Company Name	N.D. Green Planet Company Limited
Registration No.	0205565026979
Type of Business	Production and distribution of electricity generated from solar energy
Registered Capital	16,000,000 Baht (Paid in full)
Head Office	129 Moo 3, Nongchak-Phanasnikom Road, Tambol Nongeiroom, Amphur Banbueng, Chonburi Province 20220 Telephone: (+6638) 160707 Fax: (+6633) 047348 (Registered on 5 July 2022)

Associate

Company Name	ETRAN (Thailand) Company Limited
Registration No.	0105559009481
Type of Business	Manufacturer and distributor of electric motorcycle
Registered Capital	75,000,000 Baht (Paid in full)
Head Office	89/2 Soi Phahonyothin 5, Phahonyothin Road, Phaya Thai Sub-district, Phayathai District, Bangkok Telephone: (+666) 5509-8000

5.3 Legal Dispute

As of 31 December 2022, the Company does not have any legal disputes that may negative affect the Company's assets with an amount higher than 5% of the shareholders' equity and no disputes related to environmental, social and corporate governance issues.



PART 2

THE CORPORATE GOVERNANCE

6. The Corporate Governance

The Board of Director and management emphasize on the good corporate governance according to the determined practice guidelines of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. The Board of Directors strive to develop and raise the level of the Company's corporate governance to internationally comply and appropriate for the present business operation environment of the organization for the Company to have an efficient, transparent and fair management as well as increase an ability to compete and raise value for the shareholders in long term under ethical operation framework with the responsibility to society and all stakeholders which enhances the organization's worth for sustainable growth.

6.1 Overview of Corporate Governance Policies

The Nomination and Remuneration Committee ("NRC") has been appointed by the Board of Directors in order to support the performance of the Board of Directors concerning nomination suitable candidates for the position of directors, sub-committee, and executives, in accordance with the policy of nomination of the directors and high ranking executives, as well as determination of appropriate remuneration to be proper, transparent, and support the administration of the Board of Directors to be in compliance with the principles of good corporate governance of the Company and support the personnel of the Company at all level to adhere and conform to the Good Corporate Governance and Business Code of Conduct.

Nomination and Remuneration of Directors

The Board of Directors has assigned the NRC to determine the appropriate compensation and able to motivate the Board of Directors to achieve both short-term and long-term goals before presenting to the Board of Directors and the shareholders' meeting for approval. The NRC takes into account duties and responsibilities and the Company's performance together with the overall social and economic conditions and considering from past data comparison with the remuneration of the directors in the same industry.

Independence of the Board of Directors from the Management

The Company places importance on the composition and operation of the Board of Directors to facilitate independent decision-making. Therefore, the Chairman of the Board of Directors is not the same person as the Managing Director in order to create a balance between the Board of Directors and the Management.

Director Development

The Board of Directors has promoted and facilitated training and educating those involved in the corporate governance of the Company such as Director, Audit Committee, Executive Officer, etc. in order to continually

improve performance. The training and knowledge may take place within the Company or using external institutions. In addition, once there is a change of new director, the Company will provide documents and information that are useful for the performance of the new director's duties including an introduction to the nature of the business and business practice of the Company to new directors.

In 2022, directors and executives of the Company have attended training courses to develop knowledge and skills in management as follows:

- ♦ Techniques for adding value to listed companies from a stock analyst point of view
- ♦ Digital Asset and Business Growth Opportunity (New S-Curve) of Listed Companies
- ♦ Summary of financial reporting standards TFRS that have changed and come into force in 2023
- ♦ Lean Manufacturing & Value Stream Management (VSM) – Lean Manufacturing to reduce costs, make profits and raise the productivity of the organization
- ♦ Performance evaluation with OKR & KPI and digital development techniques
- ♦ A discussion on accounting knowledge for Audit Committee Members on the topic “Easy Listing: Accounting Tips that AC should not miss”

Supervision of subsidiaries and associated companies

Supervision of operations of subsidiaries and/or associated companies, management will be responsible for dispatching directors of the Company or selecting executives who have qualifications and experience suitable for the business operations of the subsidiary and/or associated companies to represent the administration, determine important policies and control the business operations of the subsidiaries and/or associated companies in accordance with strategies and business plans under good corporate governance principle.

Promotion of the exercise of shareholders' rights

The Board of Directors has promoted the rights of shareholders and encourage shareholders to exercise their basic rights to allow shareholders to participate in making decisions on important matters of the Company. Through the shareholders' meeting by exercising the following rights, the right to propose agenda of the shareholders' meeting, the right to attend and vote in the shareholders' meeting. Right to give a proxy to another person to attend the meeting and vote on their behalf, the right to nominate persons to be considered for appointment as the Company's directors, the right to elect or remove directors individually, the right to receive technology information sufficiently and timely, the right to appoint and determine the auditor's remuneration, the right to vote on the annual remuneration of directors, the right to participate and informed when there is a major change in the Company, the right to express opinions and ask questions in the shareholders' meeting, the right to share profits of the Company, etc. in order to protect the rights of shareholders and encourage shareholders

to exercise their rights including the right to be treated as a shareholder equally. The Board of Directors established guidelines, examples:

- ♦ In each meeting of shareholders, the Company will arrange to use the meeting place in Bangkok or Chonburi which is the headquarter of the Company. The venue of the meeting of shareholders must have sufficient size to support the number of shareholders and not an obstacle to travel. There are facilities for travelers, have security and are ready to handle emergency situations appropriately.
- ♦ Allowing the shareholders to be able to vote for the election of directors individually and the right to nominate persons to be appointed as the directors of the Company, which are disclosed on the website of the Stock Exchange of Thailand and the Company's website.
- ♦ During the meeting, the Chairman in the meeting allows all shareholders to have equal rights to expressing the opinions and queries within the appropriate time. Related directors and executives can explain and give the information to all shareholders completely. Including organizing activities that disseminate information to shareholders, investors and the general public for acknowledgement.

Anti-Corruption

The Company realizes the importance of transparent business operations, adhere to the principles of good corporate governance, social responsibility and stakeholders and prevent corruption that may occur in the organization in all cases. The Company therefore has established an Anti-Corruption Policy, Whistleblowing and Complaint-making Policy. Including preparing written guidelines for not asking, not accepting, not paying and not doing business with individuals and juristic persons related to corruption which has been approved by the Board of Directors.

6.2 Business Code of Conduct

The Company is committed to ethical business conduct with transparency and treat all stakeholders fairly accordance with the Good Corporate Governance Policy. Therefore, the Business Code of Conduct has been established as a good practice for all directors, executives and employees as shown in [Attachment 5](#) Policy and Guideline for Corporate Governance and Business Code of Conduct as a guideline for good practice for all directors, executives and employee of the Company in conducting business that is standard under the framework of ethics, integrity and honesty by requiring directors, executives and employees at all levels in the Company to give importance and adhere to the performance of duties as assigned responsibly, treat all stakeholders equally and fairly to achieve business operations according to the vision of the organization, create long-term value for the organization by driving the business to be stable and sustainable.

In 2022, the Company operates in accordance with the Business Code of Conduct by the directors, executives and employee of the companies complying with the laws, organization's regulations, regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission according to the good corporate governance policy and the business code of conduct both the conflict of interest policy and the supervision of the use of inside information to be consistent with the vision and goals of the organization. In 2022, the Company did not find any complaints or reports of violations of the Business Code of Conduct.

The Board of Directors has expressed intention to conduct business with transparency, accountability, and adherence to the duties of directors, executives and employees including related persons actions must be avoided as a stakeholder or person involved in conduct that may create a conflict of interest or seeking benefits in private affairs with the Company.

The Company's confidentiality policy requires that directors, executives and employees are obliged to maintain information without using specific information for securities trading or send such information to others for securities and does not disclose business information to competitors even after termination of the position of director, executive or employee of the Company for the benefit of all.

The Insider Information Policy is a measure to prevent the misuse of insider trading of related persons, including the directors, executives, employees and workings of the Company related in the information including the spouse and underage children of such person, including the penalty on the disclosure of the Company information or using the Company's information for personal gain and set a guidelines such as directors and executives are duty to report their securities holdings, spouses and children who have not attained legal age to the Securities and Exchange Commission under Section 59 and report the interests of the directors and executives. The information must be reported to the Company and reported online through the Securities and Exchange Commission's online system.

The Board of Directors pays attention to tax matters and has an ideology in conducting business with integrity, social responsibility and all groups of stakeholders by providing a strict tax management adhere to the principles of accuracy in accordance with the principles of good corporate governance, as well as determined to contribute to the overall development of the country which is an important part in enhancing the country's development. The Company therefore has a Tax Policy consisting of 3 pillars which are tax code of conduct, tax risk management and tax transparency. In 2022, the actual tax rate paid is 20% compared to the tax rate that the Company legally required to pay which is in accordance with law.

6.3 The Major Changes and Developments of Policy and Practice of Corporate Governance in 2021

The Company assigns the Board of Directors to be responsible for determining the Good Corporate Governance and supervise policy compliance. The Board of Directors will arrange for a regular review of the Good Corporate Governance at least once a year.

In this regard, overseeing or following up to comply with the Business Code of Conduct, the Company determines that it is the duty and responsibility of the directors, executives and all employees too acknowledge and understand to company with the established business ethics and work code of conduct strictly which executives in the organization must supervise and it is important to ensure that employees under their command line know, understand and strictly adhere to the established Business Code of Conduct. The review of the Company's Business Code of Conduct in accordance with the laws, rules and regulations in accordance with the constantly changing environment. Therefore, the Board of Directors has required to regularly review the regulations at least once a year.

In 2022, the Company has made important development by establishing a Risk Management Working Group to consider and scrutinize the overall risk management policy and guidelines of the Company including supervising and monitoring policy compliance, determine measures to be used to manage risk appropriate to the circumstances and regularly reports to the Executive Committee about the Company's management, operations risk status and various change.

However, for the principles that cannot comply with the current corporate governance policy is that the Board of Directors considered the appropriate measures to replace the subject and recorded them in part of the Boards' resolution for the Audit Committee and Nomination and Remuneration Committee to nominate and set remuneration, review and present to the Board of Directors for annual reviewing. In 2022, there are the principles of CG Code that the Company has not yet applied in its business operations as follows:

- The Company did not disclose details of the CEO's remuneration

Reason/Necessity

The Company disclosed the details of the CEO's remuneration including in the executive board's remuneration, so it was not disclosed separately.

- The Board of Directors must consist of more than 50% of independent directors

Reason/Necessity

The Company has considered the number of directors as appropriate for business of the Company. Currently, the Company has 3 independent directors out of a total of 8 directors, which is 37.50% of all directors.

In 2022, the Company has adopted the principles of good corporate governance for listed companies in 2017 (CG Code) by managing and performing the following as:

Principle 1 **Recognize the roles and responsibilities of the Board of Directors as the corporate leader who create sustainable value for the business.** The Board of Directors has improved, review the rules of each committee at least once a year and there are improvements to the Good Corporate Governance and Business Code of Conduct. In addition, the Board also promotes a Business Code of Conduct that supervise of the role of stakeholders.

Principle 2 **Define the business objectives and main goals for sustainability.** The Company has established a vision and mission with a focus on sustainability and operates in accordance with sustainability management policies and goals.

Principle 3 **Build effective committees.** The Company sets and reviews the board structure and the proportion of independent directors in accordance with the regulations and rules of the regulator and assigned to the NRC, remuneration and corporate governance are responsible for fair selection of directors. In 2022, the Board of Directors has an annual performance evaluation of the Board of Directors, Sub-committees and Managing Directors.

Principle 4 **Nomination and Development of Top Executives and Personnel Management.** In 2022, the Company has developed skills and competency plans for important positions that require successors so that the Company can continue its business. The Nomination and Remuneration Committee has a system for selecting personnel to take responsibility for important management positions at all levels with appropriateness and in line with the Company's business strategies. The recruitment of directors and senior executives will be in accordance with the nomination process with consideration of individuals both inside and outside the organization as appropriate including the management development program along with succession.

Principle 5 **Promoting Innovation and Responsible Business Operations.** In 2022, The Company organizes innovation projects within the organization for employees to participate in presenting ideas for developing processes or operations by focusing on the cost-effective use of resources, to reduce the impact on the environment and maximize the benefits to the organization.

Principle 6 **Ensure that there is a suitable risk management and internal control system.** The Company manages risks and internal controls effectively. The Company requires the Risk Management Working Group to analyze and assess the risks including various internal control systems within the Company to be appropriate and report the results of such analysis with solutions to the Executive Committee and the Audit Committee for acknowledgement at least once per quarter.

Principle 7 **Maintain financial credibility and disclosure of information.** The Board of Directors and the Executive Committee regularly monitor the performance and operating results especially about the financial liquidity of the Company every month including the trend of financial problems to create measures to prevent financial problems that may arise in the future. The Board of Directors has also encouraged the Managing Director and the person responsible for investor relations, increase communication with shareholders, investors, analysts and other stakeholders by participating in the activity of listed companies to meet investors (Opportunity Day). In 2022, the Company has participated in such activities 3 times and arrange documents to clarify the Company's performance, Company Snapshot or Fact Sheet that summarizes the business performance in each quarter, etc.

Principle 8 **Encourage participation and communication with shareholders.** The Board of Directors provides opportunities for shareholders to participate in proposing meeting agendas and the list of candidates selected as the directors and also supports the shareholders' meeting to attend the annual general meeting of shareholders, the meeting's resolutions were notified and prepared minutes of the meeting according to the time limit of the law and the minutes of the meeting were also disclosed on the Company's website for shareholders to have access to the information. In addition, the Company has also participated in the event at the mai FORUM 2022 to give investors an opportunity to meet with executives closely and inquired about the direction of the business as well.

2022 Annual General Meeting of Shareholders



mai FORUM 2022



Seminar on Leadership and being a New Generation of Leaders



Safety Training



Annual Party and ND Sport Day 2022



Activities to support motocross & cycle cross competitions



7. Governance Structure and Important Information about the Board of Directors, Sub-Committee, Management, Employees and Others

7.1 Governance Structure

The Company's management structure as of 31 December 2022 can be represented as follows:



7.2 The Board of Directors Information

The Board of Directors consists of persons who do not have any prohibited qualifications, has not criminal record in property-related offences committed in corruption, no transaction history that may cause conflict of interest with NDR. Such person is knowledgeable, plays an important role in formulating the Company's policies together with senior management, plan both short-term and long-term operations as well as determine the monetary policy risk management and overview of the organization, play an important role in overseeing, auditing, evaluating the performance and the performance of senior management to be in accordance with the plan independently.

The Company's management structure consists of the Board of Directors and sub-committee, namely the Audit Committee and the Nomination and Remuneration Committee (NRC). The Board of Directors of the Company are appointed by the shareholders' meeting. At present, the Board of Directors consists of 8 members which are 1 executive directors, 4 non-executive directors, and 3 independent non-executive directors as shown in [Attachment 1](#) The Details of Directors, Executives, Chief Financial Officer and Company Secretary.

In this regard, the Company stipulates that the Chairman of the Board of Directors is not the same person as the Managing Director, to create balance and review of management and has established the scope, powers, duties and responsibilities of the directors, executives, managing director clearly with duties in the same manner as stipulated in the regulations of the Stock Exchange of Thailand as shown in Attachment 7 Charter of the Board of Directors and Sub-committees.

The Position of the Board of Directors

Name	Position
1. Mr. Pongsak Swadwan	Chairman of the Board of Directors
2. Dr. Sirada Jarutakanont	Chairman of Audit Committee / Chairman of Nomination and Remuneration Committee / Independent Director
3. Mr. Chaiyasit Samrittivanicha*	Chairman of Executive Committee / Member of Nomination and Remuneration Committee / Managing Director
4. Ms. Nittaya Samrittivanicha	Director
5. Mr. Marco Low Peng Kiat	Director
6. Mr. Teerasak Sawangnet	Member of Audit Committee / Member of Nomination and Remuneration Committee / Independent Director
7. Mr. Kovit Krithanin	Member of Audit Committee / Independent Director
8. Mrs. Thunyarat Samrittivanicha	Director

***Remark:** The Company's director who is from the management namely, Mr. Chaiyasit Samrittivanicha (Managing Director).

Among the Board directors, three have been appointed as authorized directors, namely, Mrs. Nittaya Samrittivanicha, Mr. Chaiyasit Samrittivanicha and Mrs. Thunyarat Samrittivanicha. Any two of the authorized directors are authorized to sign jointly with company seal affix on behalf of the Company.

Term of Office

At the Annual General Meeting of Shareholders each year, one-third of the total directors must retire from office. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third must retire from the term.

In choosing those directors who retire, length of service on the Board should be considered, so that those who have served longest are most eligible to retire. Nevertheless, a retiring director is eligible for re-election.

In this regard, independent directors have term of office for a maximum of 9 years, unless the shareholders' meeting considers and approves the re-election of independent directors who hold the position for more than 9 consecutive years to be independent directors.

Each director has experience and expertise related to the Company's business according to the expertise and diversity of the Board of Directors as follows:

Board Skill Matrix and Diversity as of 31 December 2022

Director's Name	Director	Independent Director	Managing Director	Female Director	Educations and Experiences							
					Rubber and Rubber Products	Accounting	Finance	Innovation and Technology	Sales and Marketing	Business Administration	International Trading	Social Enterprise / Natural Resources and Environment / Sustainable Development
1. Mr. Pongsak Swadwan	✓									✓		
2. Mr. Chaiyasit Samrittivanicha	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
3. Mrs. Nitaya Samrittivanicha	✓			✓	✓					✓		
4. Mrs. Thunyarat Samrittivanicha	✓			✓	✓				✓	✓		
5. Dr. Sirada Jarutakanont	✓	✓		✓		✓	✓			✓		
6. Mr. Teerasak Sawangnet	✓	✓				✓				✓		
7. Mr. Kovit Krithanin	✓	✓								✓		
8. Mr. Marco Low Peng Kiat	✓								✓	✓		
Total	8	3	1	3	3	3	2	1	3	8	1	1

- 1 Female Independent Director and 2 Directors
- 3 Directors with experience in rubber industry
- Average term of office is 7 years

7.3 Information of the Sub-Committee

The Board of Directors has appointed various sub-committee so that shareholders can be assured that the Company has operated carefully. There are 3 sub-committees consisting of (1) Audit Committee (2) Nomination and Remuneration Committee and (3) Executive Committee. Details are as follows:

Audit Committee

Audit Committee consists of 3 independent directors. The composition of the committee must consist of at least one-third or not less than three independent directors, has the duty to review the Company financial that reporting is accurate and adequate disclosure by coordinating with external auditors and responsible management including reviewing the Company to have an internal control system, internal audit system and a risk management system that is concise, appropriate, modern and efficient. The scope of authority and duty are defined in the charter. Details appear in [Attachment 7](#) The Charter of the Board of Directors and Sub-committees.

As of 31 December 2022, Audit Committee consists of 3 independent directors as follows:

Director's Name	Position
1. Dr. Sirada Jarutakanont	Chairman of Audit Committee (Independent Director)
2. Mr. Teerasak Sawangnet	Member of Audit Committee (Independent Director)
3. Mr. Kovit Krithanin	Member of Audit Committee (Independent Director)

***Remark:** Dr. Sirada Jarutakanont is the Audit Committee who has knowledge and experience in accounting and finance.

Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of 3 directors. The composition of the committee must consist of at least one independent director to support the performance of the Board of Directors in determining the rules and guidelines for the performance of remuneration and nominating suitable candidates for the position of the Company's director, sub-committee and the management. The scope of authority and duty are defined in the charter. Details appear in [Attachment 7](#) The Charter of the Board of Directors and Sub-committees.

As of 31 December 2022, Nomination and Remuneration Committee consists of 3 directors as follows:

Director's Name	Position
1. Dr. Sirada Jarutakanont	Chairman of Nomination and Remuneration Committee (Independent Director)
2. Mr. Teerasak Sawangnet	Member of Nomination and Remuneration Committee (Independent Director)
3. Mr. Chaiyasit Samrittivanicha	Member of Nomination and Remuneration Committee (Director)

Executive Committee

The Executive Committee consists of 8 members which are 1 director and 7 executives who are not directors of the Company, is responsible for planning and formulating various operational policies by requiring that they be reviewed at least once a year. In addition, the Executive Committee is responsible for determining the direction, strategy, working plan, budget, organizational structure and management structure principles of the Company's business operations in accordance with the economic conditions and competitive conditions in the market including acknowledging and advising risks in the organization to propose to the Board of Directors for acknowledgement and/or consideration and approval, and also monitoring and following up on the Company's performance according to the specified policy. The scope of authority and duty are defined in the charter. Details appear in [Attachment 7](#) The Charter of the Board of Directors and Sub-committees.

As of 31 December 2022, Executive Committee consists of 8 directors as follows:

Executive's name	Position
1. Mr. Chaayasit Samrittivanicha	Chairman of the Executive Committee / Director
2. Ms. Nopparat Chumpolkulwong	Company Secretary
3. Ms. Pimwan Phoolphol	Internal Auditor
4. Ms. Malinee Charoenchaisin	General Manager – Finance & Accounting
5. Mr. Boonlai Jamparat	General Manager – Production
6. Mr. Domrongkreat Pasroy	General Manager – Machinery Engineering
7. Mr. Vinai Kajaisai	General Manager – OEM & Export Sales
8. Ms. Thitikarn Chaichonchanok	General Manager – Human Resources and Administration

Sustainability Development Management

In addition, the Executive Committee has appointed the Sustainability Development Management comprising the Managing Director, senior management, and representatives from various departments. They have duties and responsibilities in formulating policies, reviewing strategies and sustainability goals of the Company including related management systems for growth that goes hand in hand with social and environmental responsibility. In this regard, the Sustainability Development Management does not receive any compensation or any other benefits from the Company and uphold the duties in accordance with the Company's policies importantly.

Risk Management Working Group

The Executive Committee has appointed the Risk Management Work Group comprising of senior management and representatives from various departments to define the risk appetite, to assess the affected of risk and seeking

the prevention and report risk analysis to Executive Committee and Audit Committee to review every quarter as define by risk management policy

7.4 Information of Management

As of 31 December 2022, the Management consists of 8 directors as follows:

Executive's name	Position
1. Mr. Chaiyasit Samrittivanicha	Director / Managing Director
2. Ms. Nopparat Chumpolkulwong	Company Secretary
3. Ms. Pimwan Phoolphol	Internal Auditor
4. Ms. Malinee Charoenchaisin	General Manager – Finance & Accounting
5. Mr. Boonlai Jamparat	General Manager – Production
6. Mr. Domrongkreat Pasroy	General Manager – Machinery Engineering
7. Mr. Vinai Kajaisai	General Manager – OEM & Export Sales
8. Ms. Thitikarn Chaichonchanok	General Manager – Human Resources and Administration

The Board of Directors and/or the person designed by the Board of Directors is considered and appointed Managing Director by Nomination and Remuneration Committee to consider recruiting and selecting persons with knowledge and abilities and experience related to the Company's business operations and the Managing Director must devote themselves and time to perform their duties effectively in order of the Company to benefit the most from the capabilities of the Managing Director.

In the event that Managing Director takes the position of director or executive, in the limited company or listed company, those are not a subsidiary of the Company must be presented to the Board of Directors for consideration and approval on the suitability of the type of business which must not be a type of business that has the same nature and is in competition with the business of the Company, in order to perform their duties fully and allocate sufficient time. The scope of authority and duty are defined in the charter. Details appear in [Attachment 7](#) The Charter of the Board of Directors and Sub-committees.

Any operations which Managing Director or attorney or those who may have conflict on benefits with the Company and/or its subsidiaries and/or relevant companies, the Managing Director shall have no authority to approve operations regarding such matter. This must be proposed at the Board of Directors and/or Shareholders' meeting to further consider for approval (as the case may be) unless it is the approval of normal business transaction with general commercial terms in accordance with the notice of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

Remuneration of Management

In 2022, the Company has paid remuneration to the Company's management which can be summarized as follows:

- (1) **Monetary Remuneration** – The Company has paid remuneration consisting of salary and bonus to 8 executives, totally 7,154,421 Baht.
- (2) **Other Remuneration** – The Company has provided a provident fund for the management, in which the Company contributes at the ratio of 2% of the salary. In 2022, the Company has paid contribution to provident fund for 8 executives, totally 72,320.76 Baht.

7.5 Information of Employee

The Company has set remuneration, benefits and other welfare which are appropriately and fairly consistent with the competence of personnel at all levels taking into account the qualifications, experience, position, duties, responsibilities by passing the assessment and analysis of the job cost to suit the current job nature. Comparable to other companies in the same or similar industry. The criteria for adjusting compensation for employees each year is based on the performance evaluation and the performance indicators (KPI), including the Company determines the minimum bonus payment to all employees and adjust the increase of the office bonus according to the Company's performance as well as the employee evaluation results.

As of 31 December 2022, the number of employees of the Company divided by main line of work as follows:

Main Segment	Number of Employee (person)		
	Full Time	Daily	Total
1. Domestic Sales	6	-	6
2. Export Sales	3	-	3
3. Production	209	183	392
4. Mechanical Engineer	22	-	22
5. Office Operations	33	9	42
Total	273	192	465

Remuneration of Employee

In 2022, the Company has provided monetary remuneration to its employees (excluding executives) in the form of salaries, bonuses, etc. such as commissions, overtime, allowances, contributions to the Social Security Fund, etc. which are totalled as follows:

Description	2020	2021	2022
No. of Employees (person)	489	596	467
Total Remuneration (Baht)	94,991,506	95,412,815	92,220,868

Provident Fund

The company found provident fund since 21 June 2014 with BBL Asset Management Co., Ltd. The Company has joined in the ratio of 2 percent of salary to motivate employee and morale purpose in long term. There is a policy to support the selection of fund managers who comply with investment governance principles for institutional investors (Investment Governance Code: “I Code”) and is a fund manager who manages investments responsibly, taking into account environmental, social and governance factors (“ESG”). Good investment governance practices are followed and disclosed the guidelines for selecting fund managers to members, this will lead to investment management that takes into account the best interests of the Company’s provident fund members in the long term.

In 2022, the Company and its subsidiaries contributions are paid to the provident fund. Details are as follows:

Company/Subsidiary Name	Yes/No PVD	No. of Employees participating in PVD (person)	Employee Participation Ratio (PVD/All Employees) (%)	Amount contributed by the Company to PVD (Baht)
N.D. Rubber Public Company Limited	Yes	62	13.33%	282,189.64
N.D. Interparts Company Limited	Yes	10	13%	36,369.78
N.D. Green Planet Company Limited	No	-	-	-

7.6 Other Important Information

Information of those who are directly responsible for accounting supervision and company secretary, details appear in Attachment 1 The Details of Directors, Executives, Chief Financial Officer and Company Secretary and Attachment 3 Head of Internal Audit.

Company Secretary

The resolution of Board of Director meeting of 3/2018 date 10 August 2018 agreed to appoint Ms. Nopparat Chumpolkulwong, who has completed Company Secretary Program No. 83/3017 conducted by Thai Institute of Directors, as a Company Secretary and overlook the Board's activities as well as to coordinate as per the Board's resolution with the following responsibilities:

1. Prepare and maintain documents, as follows:
 - a. Register of Directors
 - b. Invitation letter to the meeting, minutes of the board of directors and shareholders
2. Maintain reports of interest reported by Directors or Executives and send a copy of the report of interest under Section 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee knows within 7 business days from the date the Company receives the report.
3. Providing legal advice, relevant rules and supervisory practices in conducting activities of the committee to be in accordance with the law.
4. Conducting the meeting of the Board of Directors and shareholder meeting to comply with the laws and regulations of the Company.
5. Contact and coordinate with the supervisory authorities, such as the Stock Exchange of Thailand, The Office of the SEC and oversee the disclosure of information and reporting information to regulators and the public in accordance with the law.
6. Contact and coordinate with departments within the Company to comply with the resolutions of the Board of Directors and the resolutions of the shareholders' meeting.
7. Liaise with shareholders, investors and the media to provide information and news of the Company.
8. Perform other acts as specified by the Capital Market Supervisory Board.
9. Perform other duties as assigned by the Company.

Investor Relations

The Company assigns the Company Secretary, Ms. Nopparat Chumpolkulwong, to take responsible in investor relations role to communicate with the investors and stakeholders including the analysts and related public sectors to provide a complete, correct, and fair information in accordance with the rules and regulations of the Stock

Exchange of Thailand and the Securities and Exchange Commission. Investor Relations can be contacted by these 3 channels as follows:

1. Telephone: +6638-160707 Ext. 112
2. Email: nopparat.c@ndrubber.co.th
3. Website: www.ndrubber.co.th

In 2021, the Company has organized activities to communicate corporate information, operating results clarification and answer questions about business with investors, shareholders and analysts such as online Opportunity Day, which has the Managing Director as a provider of information, operating results clarification and business plan of the organization as well as providing opportunities for investors, journalists, analysts and the public to inquire. Furthermore, the Company also participated in mai FORUM 2022 to give investors an opportunity to meet with executives closely and inquired about the direction of the business as well.

Head of Internal Audit

The Audit Committee appointed BK IA&IC Company Limited by Ms. Boonnee Kusolsopit to be the Company's internal audit. The Audit Committee is of the opinion that the qualification of the person holding the position of Head of Internal Audit is appropriate to perform such duties effectively including being appointed as Secretary of the Audit Committee as well. Qualification of Head of Internal Audit appears in Attachment 3.

Auditor's Remuneration

(1) Audit Fee

For the fiscal year 2022, the Company and its subsidiaries paid for audit fees amounting to 1,705,000 Baht and 149,000 Ringgit Malaysia to BDO Audit Company Limited. The auditors worked for, and to persons or businesses related to the auditors and audit firm do not have any relationships or interests involving the Company, management, including their related persons.

The Company and its subsidiaries paid audit fee as follows:

Company	Reviewed F/S fee (Quarterly)	Audit F/S (Yearly)	Total
N.D. Rubber Public Company Limited	630,000 Baht	750,000 Baht	1,380,000 Baht
N.D. Interparts Company Limited	105,000 Baht	220,000 Baht	325,000 Baht
Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.	75,000 Ringgit	74,000 Ringgit	149,000 Ringgit
Total	1,705,000 Baht and 149,000 Ringgit Malaysia		

(2) *Non-audit Fee*

The Company and its subsidiaries do not use other services from the said auditors.

8. The Report of Corporate Good Governance

8.1 Summary of the Board's Performance in the Year 2021

In 2022, the Board of Directors plays an important role in strategic consideration, corporate market direction and decisions to operate under the economic crisis and the COVID-19 epidemic to get through this tough situation. In addition, the Board of Directors has approved the establishment of N.D. Green Planet Co., Ltd., to produce and distribution electricity from solar energy. The Board of Directors has reviewed missions, policies and important criteria and others card rules that are beneficial to the organization and stakeholders, such as the corporate good governance policy, Anti-Corruption Policy, Whistleblowing and Complaint-making Policy, Corporate Social Responsibilities.

8.1.1 Nomination, Development and Evaluation of the Board's Performance

The Company's independent directors shall have specific qualifications as follows:

1. holding no more than 1% of total voting shares* including the shareholding of persons related to the independent directors.
2. not currently be or never been the company's executive director, worker, employee, salaried consultant, or controlling parties*. Exception: It has been at least 2 years after the person has held the position.
3. not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.
4. not currently having or never had any relations with the company* in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company*. Exception: It has been at least 2 years after the person has held the position.
5. not currently being or never been the company's auditor*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm*. Exception: It has been at least 2 years after the person has held the position.
6. not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than 2 Million Baht per year*. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least 2 years after the person has held the position.

7. not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.
8. not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
9. not under any conditions that may impede the person from having independent views towards the company's operations.

* Including the parent company, subsidiary, or affiliate, major shareholder(s) of the Company.

After being appointed as independent director with the qualification under No. 1-9 above, the independent director may assign by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary company or associate company, provided that such decision shall be in the form of collective decision.

Qualifications of the Audit Committee are as follows:

1. Having been appointed by the Board of Directors or Shareholders' Meeting to act as Audit Committee Member.
2. Qualified for an independent director.
3. Not currently the director authorized by the Board to make administrative decisions of the Company, parent company, subsidiary, same-level subsidiary, major shareholders, or controlling persons.
4. Not currently the director of the parent company, subsidiary, or same-level subsidiary of listed companies only.
5. Having sufficient knowledge and experience to perform the duty of an Audit Committee. There must be at least one Audit Committee Member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

Nomination and Appointment of Directors

In the appointment of directors, Nomination and Remuneration Committee which currently consists of 2 independent directors out of a total of 3 nomination committee, responsible for selecting and screening qualified persons according to the Company's Articles of Association and to nominate qualified candidates for professional and diverse director by considering the structure, size and composition of the Board and offer opinions to the Board of Directors to seek approval from the directors. The list of such directors will then be presented to the shareholders' meeting to elect directors according to the following rules.

The Nomination and Remuneration Committee has considered the nature of the business and future plans, then have set the qualifications of the directors who must be knowledgeable, capable and experienced in business operations. In addition, the Nomination and Remuneration Committee provided an opportunity for shareholders to participate in the nomination of qualified directors as well.

The appointment of directors must be approved by the shareholders' meeting as stipulated by the Company's Articles of Association which in voting for the election of directors, the Company arranges for shareholders to use ballots to elect each director individually by allowing shareholders to cast all their votes to select the persons nominated as directors one by one.

Nomination and Appointment of Top Executives (Managing Director)

The Board of Directors has considered and assigned the Nomination and Remuneration Committee to consider the criteria and methods of nominating qualified persons for the top management positions and nominate the names of persons deemed appropriate together with reasons for the Board of Directors to consider and appoint. In the nomination process, the selection of persons with complete qualifications, suitability, knowledge, abilities, skills and experiences are beneficial to the Company's operations and understand the Company's business well and be able to manage the work to achieve the objectives goals set by the Board of Directors.

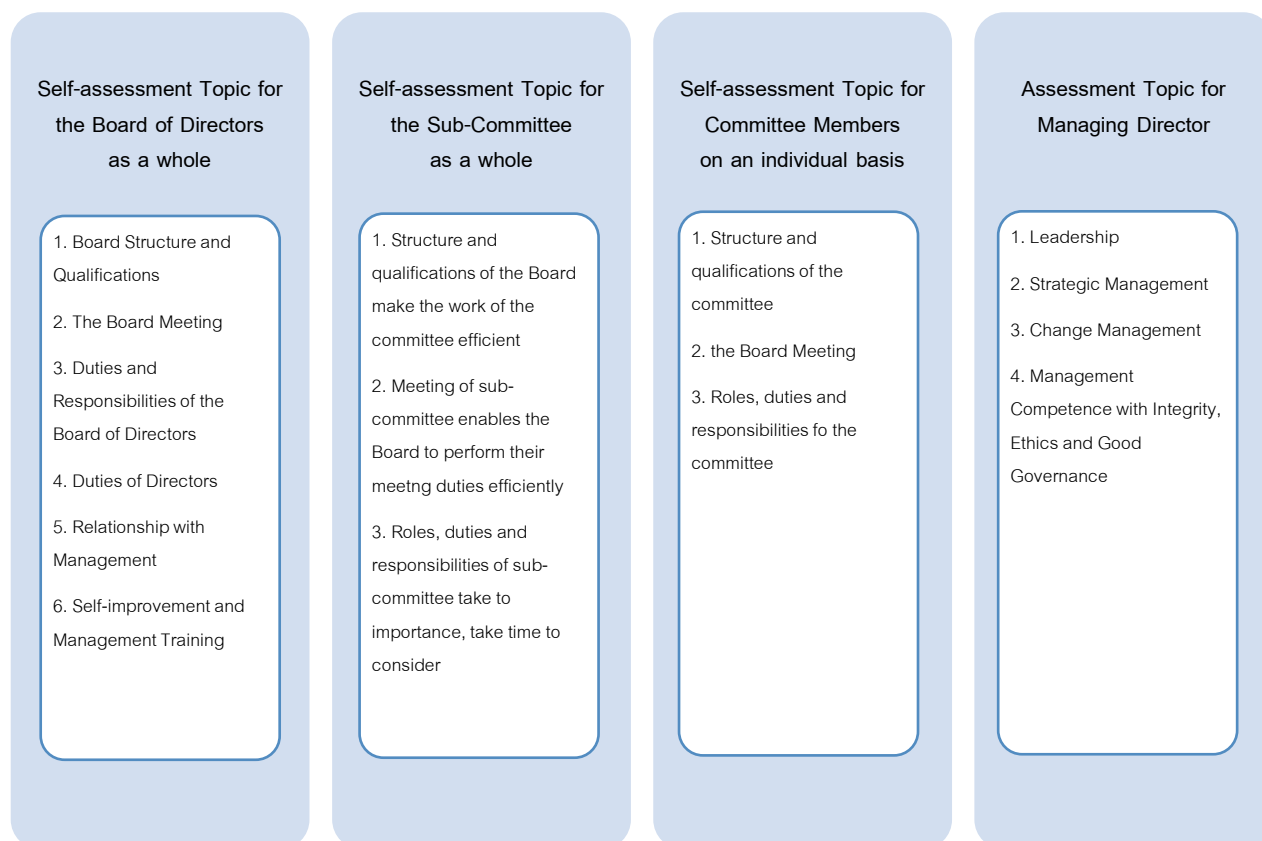
Succession Plan

The Company has a plan to select personnel who will be responsible for important positions at all levels to be appropriate and transparent to ensure that the Company has executives who are professional. The Human Resources Department will prepare the succession plan for Managing Director and management of the Company to propose to the Executive Committee for consideration. The details are as follows:

1. Managing Director In case, the position of Managing Director is vacant or the person is unable to perform the duties, the Company will have a process for executives at a similar level or a deputy acting in the position until there is a recruiting and selection of qualified persons according to the criteria set by the Company and must be a person with vision, knowledge, and abilities experience and is appropriate to the corporate culture. The Human Resources Department will bring a list of selected candidates to the Executive Committee for consideration and propose to the Nomination and Remuneration Committee for consideration and approval to appoint a suitable person to take up the position.
2. Executives In case, the position of executives (General Manager) is vacant or the person is unable to perform the duties, the Human Resources Department will present the selected successors to the Executive Committee for consideration and approval for appointment.

Self-Assessment of the Board of Directors, Sub-committees and Managing Director

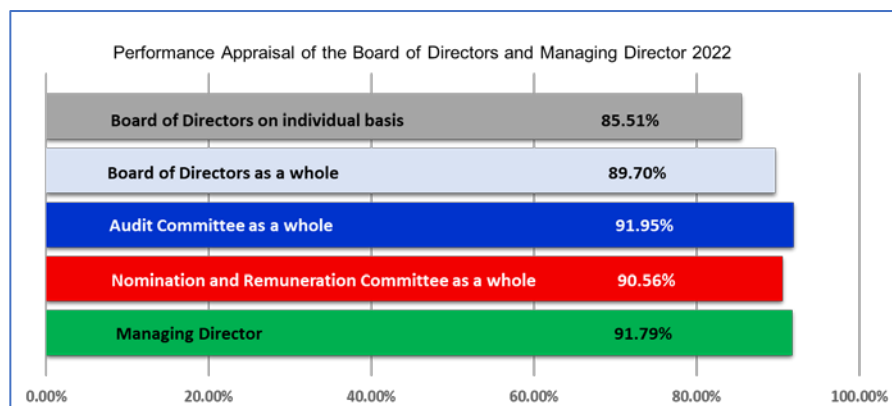
The Board of Directors has established an annual self-assessment for the Board of Directors, Sub-committees and Managing Director, in order to improve the performance of their duties to be efficient and effective by using the self-assessment form of the Stock Exchange of Thailand applied to suit the organization. The assessment topics as follows:



2022 Performance Assessment Results of the Board of Directors, Sub-committees and Managing Director

Scoring Criteria

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted
- 4 = Strongly agree or excellently



8.1.2 Meeting attendance and remuneration of the Board of Directors individually

Meeting attendance of the Board of Directors from 1 January 2022 to 31 December 2022 are as follows:

Director's Name	Meeting Attendance			
	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	Annual General Meeting of Shareholders
1. Mr. Pongsak Swadwan	4/4	-	-	1/1
2. Dr. Sirada Jarutakanont	4/4	4/4	1/1	1/1
3. Mr. Chaiyasit Samrittivanicha*	4/4	-	1/1	1/1
4. Ms. Nittaya Samrittivanicha	4/4	-	-	1/1
5. Mr. Marco Low Peng Kiat	4/4	-	-	0/1
6. Mr. Teerasak Sawangnet	4/4	4/4	1/1	1/1
7. Mr. Kovit Kristhanin	4/4	4/4	-	1/1
8. Mrs. Thunyarat Samrittivanicha*	4/4	-	-	1/1

Due to the epidemic situation of the COVID-19, Mr. Marco Low Peng Kiat who lives abroad unable to participate in Annual General Meeting to show social responsibility and to comply with the requirements of each country.

Remuneration of Directors

The Company has proposed to the 2022 Annual General Meeting of Shareholders held on 29 March 2022 to consider and approve the directors' remuneration which has been considered from the current economic, practices of listed companies in similar industries, good corporate governance principles and duties and responsibilities of each member. The meeting resolved to determine the remuneration of the directors for the year 2022 which was set as meeting allowances only without compensation or other benefits same as the year 2021. Details of remuneration as follows:

Title	Remuneration (Baht/Meeting)
<u>Board of Director Meeting</u>	
Chairman	30,000
Member	18,000
<u>Audit Committee Meeting</u>	
Chairman	30,000
Member	18,000
<u>Nomination and Remuneration Meeting</u>	
Chairman	30,000
Member	18,000

2022 Board of Directors's Remuneration (Individual)

Unit : Baht

Director's Name	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	Annual General Meeting of Shareholders	Total
1. Mr. Pongsak Swadwan	120,000	-	-	30,000	150,000
2. Dr. Sirada Jarutakanont	72,000	120,000	30,000	18,000	240,000
3. Mr. Chaiyasit Samrittivanicha*	-	-	-	-	-
4. Ms. Nittaya Samrittivanicha	72,000	-	-	18,000	90,000
5. Mr. Marco Low Peng Kiat	72,000	-	-	-	72,000
6. Mr. Teerasak Sawangnet	72,000	72,000	18,000	18,000	180,000
7. Mr. Kovit Krishnanin	72,000	72,000	-	18,000	162,000
8. Mrs. Thunyarat Samrittivanicha	54,000	-	-	-	54,000

Remark: Mr. Chaiyasit Samrittivanicha receives remuneration as an executive of the Company.

8.1.3 Supervision the Operations of Subsidiary and Affiliated Companies

Supervision the operations of subsidiary and affiliated companies, the executives shall assign company director or select the executive officer who has appropriate qualification and experiences with the business of subsidiary and affiliated companies to be a management representative to define important policy and control business operations.

In order to supervise the operations of subsidiary and affiliated companies being more effectiveness and transparency, starting from 2015 onwards, the Company has defined the procedure to propose name and right for voting in appoint personal to be Director in subsidiary shall have the approval from Board of Director. The appointed person who was appointed as Director in subsidiary and affiliated companies has responsibilities do the best benefits of subsidiary and affiliated companies as per strategies, business plan under the approval policy from Board of Director including practice with good governance. The appointed Director shall have the approval from Board of Director before voting or voting for important issue shall have the approval from Board of Director. Sending Director to be a representative in subsidiary and affiliated companies shall be a proportion of shareholding.

Furthermore, in case of subsidiary, the Company has defined the regulations the appointed person shall overlook the subsidiary to have the regulations concerning assets transaction, acquisition or selling or other important transaction of the company accuracy and completely and use the criteria of information disclosure same as the Company practice including to control data collection, accounting record of the subsidiary available for auditing and for financial statement preparation.

8.1.4 Monitoring to ensure that operations compliance with corporate governance policies and guidelines

The Company focuses on the important to good corporate governance. The relevant policies and guidelines have been set in the Company's Good Corporate Governance and Business Code of Conduct as well as promoting real practice to build confidence in all stakeholders.

In the past year, the Company has followed up to ensure compliance with good corporate governance covering 1) reporting on related party transactions; 2) reporting on internal audit results; 3) analyzing various risks, etc. The follow-up results found that the Company has fully implemented the guidelines for each issue. In addition, the Company provides follow-up to ensure compliance with good corporate governance in 4 other issues as follows:

1. Prevention of Conflicts of Interest

The Company as established good practice guidelines to show its intention to operate its business with transparency, accountability, and hold on the duty of directors, executives and employees, including those involved to avoid becoming stakeholders or is a person involved in an operation in a manner that may cause a conflict of interest.

In 2022, the Company has examined cases that may cause conflicts of interest and found that there are no cases involving the Board of Directors, management and employees of the Company. In addition, to enhance corporate governance within the organization, the Company has revised its business ethics in respect of prevention of interest by adding more issue. In the case of related party transactions which are not in accordance with general trading conditions, principles approved by the Board of Directors or the nature and size of the transaction are not under the management's jurisdiction, must pass the review and give opinions from the Audit Committee before proposing for approval from the Board of Directors or shareholders.

2. The use of inside information for benefits

The Company has supervised the use of inside information in accordance with the law and in accordance with the principles of Good Corporate Governance. In 2022, directors and executives have not found any trading in securities during the period that the Company has specified to refrain from trading. However, the Company has set a policy on the use of information. The key policies are as follows:

1. The Company provides knowledge to directors and executives regarding their duties to report the change of their securities holdings, their spouse and underage children to the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535, within 3 working days from the date of change in securities holding. In addition, those directors and executives

must inform the Company Secretary to prepare a memorandum of changes and summarize the number of securities individually, so that the Company can inspect the securities trading of all directors and executives.

2. The Company has a stipulation that prohibits directors, executives and employees, who have received inside information which affects securities price, disclose such information to other persons and must be suspended in the 1-month period before the financial statements or inside information are released to the public (Blackout Period) and must not trade in the Company's securities under a period of 24 hours has elapsed since the disclosure of all information to the public. In this regard, if it is found that the inside information is used in a way that will damage the Company or its shareholder by executive level and above, the Board of Directors will consider the punishment as appropriate. In case, the perpetrator is a secondary level of executive level, the Executive Committee will consider the penalties for the offender.

The Company provides the revelation of significant data both financial and non-financial data correctly, punctually, and transparently following the criteria in the revelation of data of Securities and Exchange Commission and Stock Exchange of Thailand as well as significant data affecting the price of securities and the process of decision making of the investors and stakeholders of the Company. The Company will publicize the information technology to shareholders, investors, and public via the channels and media of Stock Exchange of Thailand and website www.ndrubber.co.th both Thai and English. Moreover, the Company has assigned the Company Secretary to act as investor relations to communicate with shareholders, investors, analysts, stakeholders and related government agencies in order to receive information equally.

3. Anti-Corruption

The Company has reviewed important policies and criteria for efficient and effective operation as well as promote the policies illustrating concrete anti-corruption such as arrange the anti-corruption activities in the organization to raise the level of anti-corruption policy to be clear, established measures and guidelines for actions related to anti-corruption, such as the Executive Committee, who responsible for the risk analysis across the organization, will assess the risks that may occur before the occurrence of corruption according to each operating process along with finding guidelines and preventive measures and monitoring plans for compliance with anti-corruption policies and report to the Board of Directors every quarter. In addition, there are training and communication of policies and additional channels for receiving suggestions, complaints, as well as informing the whistle on corruption of the organization through various channels. In this regard, the

Company has disclosed its policies and guidelines for business operations and anti-corruption on the Company's website.

Furthermore, the Company shall strive to operate its business in a way which demonstrates its compliance with ethical and good corporate governance standards by upholding the principles of good governance as well as code of conduct and business ethics; displaying responsibility toward the society, the environment and every group of stakeholders; and conducting business in transparent, fair and verifiable manner. In the future, the Company has a plan to join "Private Sector Collective Action Coalition Against Corruption (CAC)" to demonstrate its clear intention and commitment in fighting against all forms of corruption.

Anti-Corruption Policy and Related Practice

The Company shall not tolerate any forms of corruption and shall be applicable to all businesses and transactions in every country worldwide and every relevant function. The Board of Directors, the management and employees of NDR including subsidiaries must strictly comply with the defined Anti-Corruption Policy and are prohibited from being involved with any forms of corruption either directly or indirectly in dealing with high-risk corruption. Executives and all employees should be cautious on political contributions, donations, sponsorships, gifts and entertainment.

Directors, executives and all employees can receive gifts or any benefits according to the festivals or normal practices. The value of such gifts and hospitality must be appropriate and does not affect practical decision or Company operation.

If in a situation that cannot deny receiving such gifts or benefits at that time, the recipient must notify the supervisor immediately and prepare a report for receiving gifts and send such gifts to the Procurement Department to be used as a reward for employees in important festivals or requesting approval to donate to the public charity as appropriate.

4. The Whistleblowing

The Company has determined measures for whistleblowing or raising complaints concerning any misconduct done by any director, executive or employee within the organization that is in violation of the laws, Business Code of Conduct or any behavior that may lead to corruptions. Various channels of communication have been provided so that the employees and stakeholders can conveniently and appropriately report incidents or raise complaints with the Company. The whistleblower or complainant must notify the details of the incident or complaint including their contact address and phone number through the provided channels.

- **Chairman of the Audit Committee** (An external director who is independent)

E-mail: auditcom@ndrubber.co.th

Postal Mail: **Chairman of the Audit Committee**

N.D. Rubber Public Company Limited

129 Moo 3 Nongchak-Phanasnikom Road, Nongeiroom, Banbueng, Chonburi 20220

Website: www.ndrubber.co.th

- **Company Secretary**

E-mail: nopparat.c@ndrubber.co.th

Postal Mail: **Company Secretary**

N.D. Rubber Public Company Limited

129 Moo 3 Nongchak-Phanasnikom Road, Nongeiroom, Banbueng, Chonburi 20220

Phone: +6638-160-707 # 112 Website: www.ndrubber.co.th

- **General Manager of Human Resources and Administration**

E-mail: thitikarn@ndrubber.co.th

Postal Mail: **General Manager of Human Resources and Administration**

N.D. Rubber Public Company Limited

129 Moo 3 Nongchak-Phanasnikom Road, Nongeiroom, Banbueng, Chonburi 20220

Phone: +6638-160-707 # 130 Website: www.ndrubber.co.th

The Company has measures to protect and maintain confidentiality in order to protect the rights of whistleblowers and informants who act in good faith. The Company shall not disclose the identity, address or any other information pertaining to the whistleblower or informant and shall treat such information as confidential and only authorized persons involved in the investigation procedure can have access to such information. In the event that there is an act of corruption by an executive or top management, the Audit Committee shall be responsible for ensuring the protection of the whistleblower or complainant, including the witnesses and informants throughout investigation period so that they are safe from any danger, harm or mistreatment due to whistleblowing or raising a complaint or being a witness or for disclosing any information. Any person authorized to be responsible for such matter must strictly maintain the confidentiality of all relevant information and documentation concerning the complainant and informant and must not disclose such information to any irrelevant parties unless it is required by law.

Investigation procedure and penalties for fraudsters, employees who violate or do not follow the rules will be subject to disciplinary action according to the Company's working regulations, directors or employees will be punished according to the law. The investigation processes are as follows:

- 1) Upon receipt of whistleblowing information or complaints, the recipients of the information via various channels are required to respond to the whistleblower that his/her case has already been received (in case that the whistleblowers reveal their identity). The recipients are also required to gather relevant information and submit it to the assigned functions for further actions.
- 2) The assigned functions conduct investigations and gathering facts as soon as possible, performing their duties with fairness, regardless of the position, duration of work or any importance of the whistleblower to the Company.
- 3) Once the fact-finding is carried out, the assigned functions shall prepare an investigative report and propose appropriate management actions to prevent reoccurrence in each matter to the Audit Committee, Managing Director, General Manager of Finance and Accounting, General Manager of Human Resources and Administration or any related person as the case maybe.
- 4) Regarding the aforementioned process, the measures can stop the violation or non-compliance with the Business Code of Conduct while alleviating damage incurred to the impacted persons considering total damage into account. In addition, necessary measures need to be set up to protect the whistleblower who reports such misconducts or complaints and the persons who provide cooperation during fact-finding process.
- 5) The Audit Committee or Managing Director reports to the Board of Directors for acknowledgement and reports on the results of the whistleblower who submitted such complaints (in case that the whistleblowers reveal their identity).

In 2022, the Company did not find any whistleblowing or complaints about corruption or violations of good corporate governance and practices.

8.2 The Report of the Audit Committee in the Past Year

The Audit Committee of the Company consists of 3 independent directors who have expertise and experience in accounting and finance, business investment and administration and have qualification as required under the Notification of the Securities and Exchange Commission. The Audit Committee duly performed its duties within the scope of responsibilities as assigned by the Board of Directors which are prescribed in the Audit Committee Charter and in line with the regulations of the Stock Exchange of Thailand.

In 2022, the Audit Committee has conducted 4 meetings and reported its performance to the Board of Directors on quarterly basis. The details of attendance of each members are as shown below:

Director's Name	Position	Year 2022 (No. of Meeting Attended / No. of Meeting Hold)
1. Dr. Sirada Jarutakanont	Chairman of the Audit Committee	4/4
2. Mr. Teerasak Sawangnet	Member of Audit Committee	4/4
3. Mr. Kovit Krishnanin	Member of Audit Committee	4/4

Every meeting was the meeting with Auditor, Internal Auditor, Managing Director, Chief Finance Officer and other relevant executives in accordance with relevant agendas, including 1 time meeting with the Auditor without attendance of any managements for independent consultations on significant matters as well as acknowledgments of performances and recommendations, including complications and difficulties during performing of duties. The Audit Committee independently reported, made an opinion and gave recommendation to the Board of Directors which consider reviewing financial reports, review of the internal control system and internal audit, review of risk management, review of compliance with applicable laws and regulations, considered related party transactions or transactions conflict of interest, considered to nominate, appoint and determine the Auditor's remuneration and consider the report on compliance with the anti-corruption policy.

The Audit Committee performed its duties with prudent and independent in giving opinions and advices for the highest benefit of the Company and also performed its duties in accordance with the Audit Committee Charter and assignments from the Board of Directors in full of which the Audit Committee opinioned that the Company had compliance system and internal control at the sufficient and appropriate level for the Company's business. In addition, the Company conduct the business with good governance to ensure that the preparation of financial information fully and duly presented facts in material part in compliance with the general accounting standard, the disclosure of information was in accordance with laws, regulations and covenants in connection with the Company's business and the Company and its subsidiaries commit to develop continuously its operation and human resources for better quality and sustainable growth.

8.3 The Report of the Performance of Other Sub-committees

The Nomination and Remuneration Committee ("NRC") is appointed by the Board of Directors consisting of at least 3 directors and executives, of which more than half of the total number of directors must be independent directors.

In 2022, there was 1 meeting and reported, made an opinion and gave recommendation to the Board of Directors as shown in Attachment 8 Report of the Nomination and Remuneration Committee. The details of attendance of each members are as shown below:

Director's Name	Position	Year 2022 (No. of Meeting Attended / No. of Meeting Hold)
1. Dr. Sirada Jarutakanont	Chairman of NRC	1/1
2. Mr. Teerasak Sawangnet	Member of NRC	1/1
3. Mr. Chaiyasit Samrittivanicha	Member of NRC / Managing Director	1/1

The Nomination and Remuneration Committee has obligations to support the implementation of the Board of Directors in promotion of good corporate governance principles, determine the criteria and policies regarding nomination, remuneration and corporate governance of the Board of Directors and sub-committee as well as search for, select and nominate a qualified person according to the prescribed criteria and procedure to nominate for the director and executive position of the Company.

The Nomination and Remuneration Committee will still continue to strive the development of the corporate governance operations for the Company to comply with the Business Code of Conduct and good corporate governance policy and believe that management under the good governance principles, including giving priority to the responsibility to all stakeholders will make the organization grow sustainably and build confidence for the shareholders and all stakeholders.

The Executive Committee consists of Managing Director as a chairman and executives from various departments totally 8 persons.

In 2022, the Executive Committee held a total of 7 meetings, with the details of the meeting attendance as follows:

Director's Name	Position	Year 2022 (No. of Meeting Attended/ No. of Meeting Hold)
1. Mr. Chaiyasit Samrittivanicha	Chairman of Executive Committee / Managing Director	7/7
2. Ms. Nopparat Chumpolkulwong	Company Secretary	
3. Ms. Pimwan Phoolphol	Internal Auditor	7/7

Director's Name	Position	Year 2022 (No. of Meeting Attended/ No. of Meeting Hold)
4. Ms. Malinee Charoenchaisin	General Manager – Finance & Accounting	7/7
5. Mr. Boonlai Jamparat	General Manager – Production	7/7
6. Mr. Domrongkreat Pasroy	General Manager – Machinery Engineering	7/7
7. Mr. Vinai Kajaisai	General Manager – OEM & Export Sales	7/7
8. Ms. Thitikarn Chaichonchanok	General Manager – Human Resources and Administration	7/7

The Executive Committee has performed internal management duties, assess potential risks across the organization, oversee the performance of sales and marketing departments and closely monitor the financial status of the Company. It also controls the efficiency of the production process, follow up on the operation and maintenance of the machines, including taking care of the welfare and developing the potential of employees as well as reviewing and following up on various issues such as law related to business operations, debtor tracking, corruption report, etc. in order to effectively manage the organization within the Company.

9. Internal Control and Related Party Transactions

9.1 Internal Control

Summary of opinions of the Board of Directors

The Board of Directors Meeting No. 1/2023 on 23 February 2023, the Board of Directors assessed the Company's internal control system reviewed by the Audit Committee, in summary, based on the Company's internal control system assessment of 5 elements which are: 1) Control Environment; 2) Risk Assessment; 3) Control Activities; 4) Information and Communication, and 5) Monitoring Activities.

The Board of Directors had the opinion that the Company has an internal control and internal audit systems that is effective enough and suitable for current business, and can reasonable confidence in the reliability of the consolidated and the Company and its subsidiaries' financial statement for the year 2022, showing the financial position, profit and loss performance and cash flow which been reviewed with correctness as it should be and in accordance with financial reporting standards.

Sufficient Internal Control

The Audit Committee reviewed and assessed the sufficiency of internal control system of the Company and subsequently proposed to the Board of Directors to ensure that the Company had an appropriate and sufficient

internal control for the Company business with consideration from the internal audit report in connection with the Company's key performance management and Auditor.

1) Internal Control

The Board of Directors and management have set guidelines and practices based on honesty and conducted business in accordance with the Company Code of Conduct which have been communicated and emphasized to employees of monitoring and assessment process on their performance. The Board of Directors performs the duty independently from management in overseeing and developing internal control within the organization.

2) Risk Assessment

The Company has analyzed the risks from internal and external factors impacting the Company performance in all levels of organization, business units and departments by assessing the likelihood and impact in strategy, operation, work manual and information technology which the Company has defined clear measures and mitigations in managing the risks.

3) Control of Operation

The Company has set up control of operation for efficient operation to reduce the risks to acceptable risk level, such as setting policies and procedures on finance, guidelines in procurement, overall management including clear delegation of approval authority. In addition, the Company and its employees shall operate in accordance with ISO9001:2015 และ IATF16945:2016 which have identified a framework for performance that shows commitment and practice of employees to achieve goals.

4) Information and Communication

The Company realizes the importance of information and effective communication system in supporting internal control comprising quality internal/external information related to operation and providing sufficient information for the Board of Directors' decision in company business. The Company has arranged appropriate channels in communicating with related parties and stakeholders in business performance as well as receiving feedback information, such as customer satisfaction survey. The Company also arranges various whistleblowing channels that allows internal/external stakeholders to safely and securely disclose of fraudulent information to the Company.

5) Monitoring System

The Company always monitors and evaluates the internal control to ensure the internal control system is sufficient and appropriate and in line with quality management system. The Company has appointed Head of Internal Audit to verify the work process and report to management including corrective and tracking issues which reflects the efficiency and effectiveness of operating standard.

Consequently, the Audit Committee reviewed and assessed the sufficiency of 2022 evaluation of internal control subsequently proposed to the Board of Directors to ensure that the Company has the internal control 2021 in company business with consideration from the internal audit report in connection with risk management and auditor.

The Audit Committee has performed with high qualification and independence in expression their opinion for the Company advantages. The Audit Committee has performed professionally under Audit Committee Charter and follow the role that the Board of Directors has assigned. The Company always monitors and evaluates the internal control to ensure that the internal control system is sufficient and appropriate and in line with quality management system. The Company and subsidiaries' financial statements, it shows the summary correctly by Thai Financial Reporting Standard – TFRS and declare all information that follow the law such as terms and conditions in company business, declaration of related party transactions including subsidiaries and improve the process of operation professionally.

Information of Head of Internal Audit

In the Audit Committee Meeting No. 1/2022 dated 22 February 2022, BK IA & IC Company Limited was appointed to act as the Company's internal auditor and Ms. Boonnee Kusolsopit has assigned to be Head of Internal Audit who responsible for the performance of the Company's internal audit.

The Audit Committee has considered the qualifications of BK IA & IC Company Limited and Ms. Boonnee Kusolsopit and considers that they are appropriate to perform such duties as Ms. Boonnee Kusolsopit is independent and has experience in internal auditing in the same business as the Company for a period of 21 years and receive training in courses related to internal audit operations. In 2022, Ms. Boonnee has passed many training courses such as Data Protection, Basic Cybersecurity, Thai Financial Reporting Standards (TFRSs/TFRS for NPAEs), Business Sustainability Fundamentals, 2 Draft Information Disclosure Standards of ISSB, Sustainability and Business Preparation, etc. The Company has also appointed Ms. Pimwan Phoolphol as an internal auditor to coordinate with external auditors.

In this regard, considering and approving the appointment, removal, and transfer of the person holding the position of Head of Internal Audit of the Company must be approved by the Audit Committee. The qualifications of Head of Internal Audit as shown in Attachment 3.

9.2 Related Party Transaction

N.D. Rubber Public Company Limited (NDR) Related Party Transaction Report for the Year Ended 31 December 2022

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
N.D. Interparts Co., Ltd. (NDI) - The Company's subsidiary hold by the Company 91.77% of share and have the Co-Director Mr. Chaiyasit Samrittivanicha and Mrs. Nittaya Samrittivanicha.	Sales Revenue	180,242	541,782	NDR sells raw materials and supplies to NDI for producing certain products and sale to the Company.	The transaction is reasonable because the trading price is not lower than the cost plus margin which is the same practice as for making transactions with third parties.
	Sparparts Expenses	2,154,985	5,238,955	NDR purchases products for use in the operations of the Company	The transaction is reasonable by setting a price that is close to the price charged to third party.
	Location Rent & Services	1,656,000	1,800,000	NDR agreed to NDI to rent factory building for using in production operation.	The transaction is reasonable which rental fee assessed by the independent assessor.
	Electricity Expenses	490,139	491,776	NDR uses NDI electricity for use in offices, warehouses and canteens.	The transaction is reasonable by charging the same rate as the Provincial Electricity Authority.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
	Labor Income	11,421	11,948	NDI employs NDR staff to produce products in the normal course of business.	The transaction is reasonable by providing remuneration at the rate stipulated by the NDR in accordance with the employment contract.
T. Thaicharoen Rubber Co., Ltd. - Mr. Prasert, Mrs. Nittaya and Mr. Chaiyasit Samrittivanicha are director. - Mr. Prasert and Mrs. Nittaya Samrittivanicha jointly hold 90% of share. - Mr. Chaiyasit and Mrs. Thanyarat Samrittivanicha jointly hold 4.5% of share.	Spareparts and Raw Material Expenses	178,362	38,320	NDR purchased car tire for replacement parts in order to support business necessity.	The transaction is reasonable because trading price is not less than market price.
Whitehouse Plastics Partnership - Mrs. Mukda Sawasdiwan (Mr. Pongsak Sawasdiwna's spouse) is the managing partner and hold 50% of share.	Consumable Expenses	168,656	169,029	NDR has purchased plastic bag for using in normal business operation.	The transaction is reasonable because trading price is not less than market price.
FKR Marketing Sdn. Bhd. - The Company's subsidiary of Fung Keong Rubber Manufactory (Malaya)	Sales Revenue	216,893,169	220,991,285	The Company has sold motorcycle tire and tube to FKR Marketing Sdn. Bhd. to sell in Malaysia.	The transaction is reasonable because trading price is not less than the cost plus margin.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
Sdn. Bhd. hold by the Company 100% of share and having Mr. Chaiyasit Samrittivanicha as the Co-Directors					
Saengcharoen Tools Center Co., Ltd. - Mr. Prasert Samrittivanicha is the director and hold 70% of share.	Sales Revenue	2,787,290	2,918,411	NDR sold battery to Saengcharoen Tools Center Co., Ltd. as a distributor in order to expand distribution channel.	The transaction is reasonable because trading price is not less than market price.
Siam Sansin Co., Ltd. - Mr. Prasert Samrittivanicha is a Director. - Mrs. Nittaya Samrittivanicha hold 10% of share.	Consumable Expenses	6,600	-	NDR has purchase supplies (coolant) from Siam Sansin Co., Ltd. to be used to support normal business.	The transaction is reasonable because trading price is not less than market price.
ETRAN (Thailand) Co., Ltd. - An associated company in which NDR holds 35% of share and has a common director namely Mr. Chaiyasit Samrittivanicha	Purchasing Goods	53,115	-	NDR bought motorcycle tires inventory from ETRAN (Thailand) Co., Ltd. for selling in the market because ETRAN's previous seller does not accept returns.	The transaction is reasonable because trading price equal to cost plus expenses.
	Sales Revenue	673,000	326,210	NDR sold motorcycle tires to ETRAN (Thailand) Co., Ltd. for assembly in electric motorcycles which is the main product of ETRAN.	The transaction is reasonable because trading price not less than cost plus margin.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
T. Thaicharoen Service Co., Ltd. - There is one common director, namely Mrs. Thunyarat Samrittivanicha - Mrs. Nittaya Samrittivanicha a hold 10% of share. - Mr. Chaiyasit Samrittivanicha hold 5% of share. - Mrs. Thunyarat Samrittivanicha hold 5% of share.	Sales Revenue	477	3,016	NDR sold motorcycle tires to T. Thaicharoen Service Co., Ltd. to support logistic operations.	The transaction is reasonable because trading price not less than cost plus margin.
	Spareparts Expenses	10,174	-	NDR has purchased car tires as a spareparts for the use of the Company's car.	The transaction is reasonable because trading price is not less than market price.
Mr. Tanapol Samrittivanicha - Mr. Tanapol Samrittivanicha is the son of Mr. Chaiyasit and Mrs. Thunyarat Samrittivanicha (Director and Shareholder)	Sales Revenue	610,250	147,756	NDR sold motorcycle tire to Mr. Tanapol Samrittivanicha as related transaction.	The transaction is reasonable because trading price not less than cost plus margin.
Siam Plastwood Co., Ltd. - Mrs. Nittaya Samrittivanicha is the director and hold 16% of shares.	Factory Equipment	-	2,260	The Company purchased equipment for use in repairing the factory from Siam Plastwood Co., Ltd.	The transaction is reasonable because trading price is not less than market price.
Ms. Orapan Samrittivanicha - Ms Orapan Samrittivanicha is the daughter of Mr. Chaiyasit and Mrs. Thunyarat	Sale Revenue	-	19,154	The Company has sold motorcycle tire to Ms. Orapan Samrittivanicha	The transaction is reasonable because trading price not less than cost plus margin.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
Samrittivanicha (Director and Shareholder)					

N.D. Interparts Co., Ltd. (NDI) Related Party Transaction Report for the Year Ended 31 December 2022

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
N.D. Rubber Public Company Limited (NDR) - The mother company has jointly director Mrs. Nittaya Samrittivanicha and Mr. Chaivasit Samrittivanicha.	Sales Revenue	2,154,985	5,238,955	NDI has sold consumable material to NDR for using in the packaging which is not main production process.	The transaction is reasonable by setting the trading price of cost plus gross profit according to product type and use the same practice as third party.
	Raw Material Expenses	180,242	541,783	NDI bought raw material for production process.	The transaction is reasonable because trading price is not less than market price.
	Location Rent & Services	1,656,000	1,800,000	NDI has rented factory building for using in production operation.	The transaction is reasonable which rental fee assessed by the independent assessor.
	Electricity Revenue	490,139	491,776	NDI received electricity bills from NDR because NDR's canteen and office building use the same electricity meter with NDI.	The transaction is reasonable by charging the same rate as the Provincial Electricity Authority.
	Labor Income	11,421	-	NDR hired a maid of NDI.	The transaction is reasonable by providing remuneration at the rate specified in NDI employment contract.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
	Labor Expenses	-	11,948	NDI employs NDR staff to produce products in the normal course of business.	The transaction is reasonable by providing remuneration at the rate stipulated by the NDR in accordance with the employment contract.
T. Thaicharoen Rubber Co., Ltd. - Mr. Prasert, Mrs. Nittaya and Mr. Chaiyasit Samrittivanicha are T. Thaicharoen Rubber Co., Ltd.'s Director. - Mr. Prasert and Mrs. Nittaya Samrittivanicha jointly hold 90% of share. - Mr. Chaiyasit and Mrs. Thanyarat Samrittivanicha jointly hold 4.5% of share.	Spareparts Expenses	25,080	12,770	NDI has maintenance its vehicles by T. Thaicharoen Rubber Co., Ltd. for logistic operations.	The transaction is reasonable because product and service charges are same as general customers.
Whitehouse Plastics Partnership - Mrs. Mukda Sawasdiwan (Mr. Pongsak Sawasdiwana's spouse) is the managing partner and hold 50% of share.	Consumable Expenses	110,497	113,297	NDI has purchased plastic bag for using in normal business operation	The transaction is reasonable because trading price is not less than market price.
Thai Toyo Rubber Co., Ltd. - Mr. Prasert Samrittivanicha (Mrs. Nittaya Samrittivanicha's husband) who acts as director and hold 15.31% of share.	Consumable and Raw Material Expenses	56,879	269,910	NDI has purchased raw materials from Thai Toyo Rubber Co., Ltd. to be used in the production to support the normal business.	The transaction is reasonable because trading price is not less than market price.

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2021	FY 2022		
	Manufacturing Revenue	76,749	-	NDI contracts to produce parts for Thai Toyo Rubber Co., Ltd. due to insufficient production capacity of Thai Toyo Rubber Co., Ltd. which is considered a transaction to support normal business.	The transaction is reasonable because service charge is not less than cost plus margin.
ETRAN (Thailand) Co. Ltd. - An associated company of NDR, which is the parent company, holds 35% of shares. - Mr. Chaiyasit Samrittivanicha is a common director.	Sale Revenue	-	138,800	NDI sells rubber parts to ETRAN (Thailand) Co., Ltd. for use in electric motorcycles which is the main product of ETRAN.	The transaction is reasonable because trading price is not less than cost plus margin.

FKR Marketing Sdn. Bhd. (FKRM) Related Party Transaction Report for the Year Ended 31 December 2022

Connected Parties / Type of Relationship	Type of Transaction	Transaction Value (Baht)		Necessity / Appropriateness for Related Transaction	Audit Committee Opinion
		FY 2020	FY 2021		
N.D. Rubber Public Company Limited (NDR) - The mother company has jointly director Mr. Chaiyasit Samrittivanicha.	Consumable and Raw Material Expenses	216,893,169	220,991,285	FKR has purchase motorcycle tire from NDR to sell in Malaysia.	The transaction is reasonable because trading price is not less than the cost plus margin.

Policy for Related Party Transaction

In entering into related party transactions and connected transaction of the Company and its subsidiaries, the Company will comply with the requirements under the Securities and Exchange Act, B.E. 2535 (as amended), the Company's Articles of Association, notifications, orders and relevant requirement of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand including the disclosure requirement on relate party transactions in the notes to financial statements audited by auditors of the Company and its subsidiaries and the annual statement Form 56-1 One Report.

Measures and approval procedures for related party transactions and connected transactions

- 1) The Board of Directors will put in place a consideration procedure for related party transactions and connected transactions in accordance with the work procedure of the Company and its subsidiaries subject to the framework of ethics and scrutiny of the Audit Committee taking into consideration the interests of the Company and its shareholders. The Board of Directors will ensure compliance with the Company's Articles of Association, relevant notifications, orders and requirements of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand. The Board of Directors will also ensure that the disclosure requirements on related party transactions and connected transactions are complied with to ensure accurate and complete public disclosure of information.
- 2) Price suitability and reasonableness of transactions will be taken into consideration in approving the transaction. Conditions of the transactions shall be in line with the normal business within relevant industry and/or will be compared with prices offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The Company will also monitor transactions that are entered into.
- 3) In approving related party transaction or connected transactions with major shareholders, directors, executives or persons with possible conflict of interests or connected persons of the Company, it is prohibited for interested directors and/or directors who are connected persons to have the rights to vote on the approval for the transaction. This is to ensure that the transactions will not amount to the relocation or siphon of interests of the Company but will be entered into for the best interests of the Company and its shareholders.
- 4) The Company or its subsidiaries will enter into related party transactions or connected transaction with directors, executives or connected persons once the transactions are approved in accordance with the requirements of the Stock Exchange of Thailand, the office of the Securities and Exchange Commission. Such transactions shall have the characteristics as prescribed under the Company's Policy except for transactions with arms' length terms and conditions without the negotiating power or influence of such directors, executives or connected persons, as the case may be and shall have the terms and conditions that have already been approved in principle by the Board of Directors.
- 5) The Company will prepare a report to summarize related party transactions and connected transactions for reporting at the quarterly meetings of the Audit Committee and the Board of Directors in order to comply with the law on securities and exchange, the Company's Articles of Association, relevant notification, order or requirement of the Office of the Securities and Exchange, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

- 6) The Company by the department of internal audit will carry out audits of related party transactions or connected transactions in accordance with the Company's audit plan and will report to the Audit Committee. There will be measures for the control and audit to allow random check on the transactions to ensure that they are correct and in accordance with the agreement or the defined policies.

Policy for related party transactions and connected transactions

In entering into transactions containing general commercial terms and transactions which do not have general commercial terms, the following principles shall be complied with:

1) Transactions with general commercial terms

The management may approve related party transactions or connected transactions which contain general commercial terms or transactions which support normal business of the Company including recurring transactions in the future if such transactions contain general commercial terms with directors executives, connected persons or persons with possible conflict of interests in accordance with the requirement of the Stock Exchange of Thailand, the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission, and such business terms are on an arms' length basis without the negotiating power or influence of directors, executives, connected persons or persons basis with possible conflict of interest (as the case may be), and will not result in the siphon of benefits and/or could demonstrate reasonable or fair prices or conditions which have already been approved in principle by the Board of Directors or are in accordance with the principles approved by the Board of Directors.

2) Transaction without general commercial terms

Related party transactions or connected transactions without general commercial terms may be entered into subject to consideration and approval from the Audit Committee who shall approve based on the necessity of such transactions and the appropriateness of the pricing of the transactions, taking into consideration conditions that are in line with the normal course of business within the industry and/or will be compared with prices offered by third parties and/or market price and/or shall be comparable to the prices or conditions offered by third parties and/or shall demonstrate reasonable or fair price or conditions. The transactions shall be proposed to the Board of Directors for consideration and approval. However, if the transaction size is considered material in accordance with the requirement of the Stock Exchange of Thailand, requirements of the Stock Exchange of Thailand, the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission, after the transactions have been approved by the Board of Directors, they shall be further proposed to the general meeting of shareholders for approval.

Policy for future related party transactions and connected transactions

When the Company has completed its public offering of shares and has become a listed company on the Stock Exchange of Thailand, its related party transactions and connected transactions shall be in accordance with the following principles:

- 1) The Company will comply with its policy, the law on securities and exchange, the Company's Articles of Association, relevant notifications, or the Stock Exchange of Thailand. Such related party transactions or connected transactions shall not amount to the relocation or siphon of benefit between the Company or its shareholders but shall be for the best interests of the Company and all shareholders.
- 2) If transactions are entered into in the normal course of business or for the support of the normal business of the Company and are expected be regularly recurring in the future, the Company will comply with the relevant requirements and guidelines with respect to transactions with general commercial terms. Pricing and conditions of the transactions shall be appropriate, fair, reasonable and transparent. The transactions shall be entered into based on the principles for transactions with general commercial terms that have already been approved by the Board of Directors of the Company. For this purpose, the management shall prepare reports to summarize details of such transactions to be submitted to the quarterly meeting of the Audit Committee in preparation for the statement Form 56-1 One Report.
- 3) Disclosures on related party transactions or connected transactions of the Company shall be in accordance with the law and regulations prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand and the accounting standards relating to the Company or its related persons as prescribed by the Federation of Accounting Professions.



PART 3

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the shareholders of N.D. Rubber Public Company Limited

Opinion

I have audited the consolidated financial statements of N.D. Rubber Public Company Limited and its subsidiaries ("the Group") and separate financial statements of N.D. Rubber Public Company Limited, which comprise the consolidated and separate statement of financial position as at 31 December 2022, the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of N.D. Rubber Public Company Limited and its subsidiaries ("the Group") and separate financial statements of N.D. Rubber Public Company Limited as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

KEY AUDIT MATTER	AUDIT RESPONSE
<p><i>1. Impairment of intangible assets</i></p> <p>As at 31 December 2022, the group has trademark which arose from an acquisition of business related with distributing of motorcycle tyres and tubes, other related products, and footwear amount of Baht 105.95 million.</p> <p>In accordance with Thai Financial Reporting Standards, the Company is required to test the impairment of intangible assets from business combination on annual basis.</p> <p>For impairment test, the management has to exercise significant judgments based on the complicated assumptions especially the estimated relating to expected future cash flow forecast from the distributing of motorcycle tyres and tubes, other related products, and footwear including discount rate which varies according to the economic circumstances and market.</p> <p>The Group disclosed about trademark in Note 16 to financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> - Obtained an understanding of the process for assessment of recoverable amounts of group of business units and considered the impairment indicator. - Discussed with management to understand the basis of assumptions used, including with future business plan. - Assessed the reasonableness of assumptions and methodology that management applied to estimate expected future cash flow by comparing with current and historical operations, including with the reasonableness of the discount rate applied to calculate expected future cash flows from the operations. - Verified the mathematical accuracy of the model. - Discussed with auditor's expert to develop the auditor's model for comparing with the reasonableness of the management's model used for assessing the business value. - Assessed the adequacy and appropriateness of the disclosure of assumptions and recoverable amount of assets.

KEY AUDIT MATTER	AUDIT RESPONSE
<p><i>2. Impairment of investment in associated company</i></p> <p>As at 31 December 2022, the Group has an investment in associated company accounted for by the equity method in the consolidated financial statements of Baht 89.17 million, which has been recorded at cost less accumulated allowance for impairment in the separate financial statements of Baht 88.33 million.</p> <p>In accordance with Thai Financial Reporting Standards, the Group is required to test the impairment of assets whenever there is an indication of impairment.</p> <p>For impairment test, the management has to exercise significant judgments based on the complicated assumptions especially the estimated relating to expected future cash flow forecast from associated company including growth rate and discount rate which varies according to the economic circumstances and market.</p> <p>The Group disclosed about allowance for impairment of investment in associated company in Note 12 to financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> - Obtained an understanding of the process for assessment of recoverable amounts of investment in associated company and considered the impairment indicator. - Discussed with management to understand the basis of assumptions used and future business plan. - Assessed the reasonableness of assumptions and methodology that management applied to estimate expected future cash flow, especially the projected growth in revenues, gross margins and operating net income of associated company, by comparing with current and historical operations. - Evaluated the reasonableness of the discount rate applied to calculate expected future cash flows from the operations. - Verified the mathematical accuracy of the model. - Discussed with auditor's expert to develop the auditor's model for comparing with the reasonableness of the management's model used for assessing the business value. - Assessed the adequacy and appropriateness of the disclosure of assumptions and recoverable amount of assets.

Other matter

The consolidated financial statements of N.D. Rubber Public Company Limited and its subsidiaries (“the Group”) and separate financial statements of N.D. Rubber Public Company Limited, for the year ended 31 December 2021, presented as comparative information, were audited by another auditor who expressed an unmodified opinion on those statements according to the report dated 22 February 2022.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report is expected to be made available to me after the date of this auditor’s report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and revise a material misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Narin Churamongkol

Certified Public Accountant No. 8593

BDO Audit Company Limited

Bangkok

23 February 2023

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)		Consolidated F/S		Separate F/S	
	Notes	2022	2021	2022	2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	112,409,417	159,204,884	26,991,483	42,603,127
Trade accounts receivable - general customers	8	99,495,385	115,882,609	43,163,731	43,009,401
- related parties	6, 8	890,770	551,325	13,837,729	21,098,294
Other accounts receivable - general customers		3,656,523	5,243,972	-	-
- subsidiary company	6	-	-	152,100	-
Inventories	9	152,134,430	146,821,284	77,898,335	78,688,792
Refundable value added tax		1,905,423	6,501,091	1,905,423	6,501,091
Refundable corporate income tax		7,032,803	2,430,946	-	-
Other current assets		4,447,899	4,552,152	4,271,718	4,307,598
Total Current Assets		381,972,650	441,188,263	168,220,519	196,208,303
NON-CURRENT ASSETS					
Investment in subsidiary companies	11	-	-	414,504,632	413,614,932
Investment in associated company	12	89,165,800	100,091,025	88,333,100	100,333,100
Property, plant and equipment	14	526,769,308	564,777,494	363,402,597	391,863,595
Right-of-use assets	15.1	2,203,460	4,355,789	2,203,460	4,355,789
Intangible assets	16	107,571,357	115,371,941	1,313,910	1,141,493
Deferred tax assets	19.1	514,619	460,155	-	-
Total Non-Current Assets		726,224,544	785,056,404	869,757,699	911,308,909
TOTAL ASSETS		1,108,197,194	1,226,244,667	1,037,978,218	1,107,517,212

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	2022	2021	2022	2021
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdraft and short-term loans from banks	17	111,637,846	130,526,474	102,200,446	121,101,716
Trade accounts payable - general suppliers		64,412,814	88,279,482	59,213,084	81,499,680
- related companies	6	49,146	217,372	745,586	609,179
Other account payable - related companies	6	2,418	-	99,286	86,299
Accounts payable for purchases of fixed assets		25,873	222,153	25,873	222,153
Current portion :					
- Lease liabilities	15.2	358,307	685,779	358,307	685,779
Accrued income tax		-	657,486	-	369,411
Accrued expenses		30,625,655	40,007,156	5,671,104	10,054,055
Other current liabilities		6,131,306	4,697,396	5,376,466	4,254,710
Total Current Liabilities		213,243,365	265,293,298	173,690,152	218,882,982
NON-CURRENT LIABILITIES					
Lease liabilities	15.2	794,873	1,153,180	794,873	1,153,180
Employee benefits obligation	18, 33	12,210,486	11,006,510	10,270,993	9,284,196
Deferred tax liabilities	19.1	32,664,326	39,935,673	5,210,990	7,739,032
Total Non-Current Liabilities		45,669,685	52,095,363	16,276,856	18,176,408
Total Liabilities		258,913,050	317,388,661	189,967,008	237,059,390

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)		Consolidated F/S		Separate F/S	
	Notes	2022	2021	2022	2021
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> (Continued)					
SHAREHOLDERS' EQUITY					
Share capital - ordinary share, Baht 1 par value					
Registered - 433,614,392 shares					
(2021 : 346,891,514 shares)	20	433,614,392	346,891,514	433,614,392	346,891,514
Issued and fully paid-up - 346,891,514 shares					
(2021 : 346,891,514 shares)	20	346,891,514	346,891,514	346,891,514	346,891,514
Premium on common share capital	20	380,640,846	380,640,846	380,640,846	380,640,846
Retained earnings					
- Appropriated for legal reserve	21	15,220,095	15,220,095	15,220,095	15,220,095
- Unappropriated		121,661,871	156,440,014	105,258,755	127,705,367
Other component of shareholders' equity		(16,781,282)	7,616,399	-	-
Total Equity of the Company's Shareholders		847,633,044	906,808,868	848,011,210	870,457,822
Non-controlling interests	13	1,651,100	2,047,138	-	-
Total Shareholders' Equity		849,284,144	908,856,006	848,011,210	870,457,822
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,108,197,194	1,226,244,667	1,037,978,218	1,107,517,212

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		2022	2021	2022	2021
Revenue from sales	6, 26	839,307,380	841,399,435	629,548,108	602,653,322
Cost of sales	9, 24	(730,013,760)	(685,544,887)	(603,840,125)	(544,140,222)
Gross profit		109,293,620	155,854,548	25,707,983	58,513,100
Gain on exchange rate		1,335,721	567,514	1,335,721	567,514
Dividend income	11	-	-	16,239,770	8,171,780
Other income	6	5,607,734	10,079,628	4,883,820	7,953,608
Profit before expenses		116,237,075	166,501,690	48,167,294	75,206,002
Selling expenses	24	(43,639,841)	(33,671,341)	(9,136,373)	(7,660,808)
Administrative expenses	6, 24	(86,968,912)	(81,429,435)	(37,482,867)	(34,769,739)
Impairment loss on investment in associated company	12	-	-	(12,000,000)	-
Total expenses		(130,608,753)	(115,100,776)	(58,619,240)	(42,430,547)
Profit (loss) from operations		(14,371,678)	51,400,914	(10,451,946)	32,775,455
Share of loss from investment in associated company	12	(10,925,225)	(242,075)	-	-
Profit (loss) before finance costs and income tax		(25,296,903)	51,158,839	(10,451,946)	32,775,455
Finance costs		(4,246,569)	(4,263,442)	(4,116,304)	(4,034,754)
Profit (loss) before income tax		(29,543,472)	46,895,397	(14,568,250)	28,740,701
Income tax benefit (expense)	19.2	4,825,895	(4,991,325)	2,528,042	(3,646,124)
Profit (loss) for the year		(24,717,577)	41,904,072	(12,040,208)	25,094,577
Other comprehensive income for the year					
Items to be reclassified subsequently to profit or loss					
Translation adjustment on foreign currency					
financial statements					
		(24,397,681)	42,615,448	-	-
Item not to be reclassified subsequently to profit or loss					
Actuarial loss - net of tax					
		-	(303,882)	-	(151,834)
Other comprehensive income for the year		(24,397,681)	42,311,566	-	(151,834)
Total comprehensive income for the year		(49,115,258)	84,215,638	(12,040,208)	24,942,743

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)		Consolidated F/S		Separate F/S	
	Notes	2022	2021	2022	2021
PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO:					
Shareholders of the Company		(24,371,739)	41,633,506	(12,040,208)	25,094,577
Non-controlling interests	13	(345,838)	270,566	-	-
Total		(24,717,577)	41,904,072	(12,040,208)	25,094,577
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:					
Shareholders of the Company		(48,769,420)	83,957,585	(12,040,208)	24,942,743
Non-controlling interests	13	(345,838)	258,053	-	-
Total		(49,115,258)	84,215,638	(12,040,208)	24,942,743
BASIC EARNINGS PER SHARE		27			
Profit (loss) (Baht per share)		(0.0703)	0.1260	(0.0347)	0.0759
Weighted average number of ordinary shares (share)		346,891,514	330,516,227	346,891,514	330,516,227

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)		Equity attributable to shareholders of the Company									
		Retained earnings				Other components of shareholders' equity			Equity		
		Issued and paid-up share capital	Premium on common share capital	Appropriated for legal reserve	Unappropriated	Surplus on change in proportion of investment in subsidiary company	Translation adjustment on foreign currency financial statements	Total	attributable to the Company's shareholders	Non-controlling interests	Total
Notes											
<u>Consolidated F/S</u>											
Balance as at 1 January 2021		315,391,514	325,711,286	13,965,366	132,122,127	550,469	(35,549,518)	(34,999,049)	752,191,244	1,919,741	754,110,985
Share increment during the year	20	31,500,000	54,929,560	-	-	-	-	-	86,429,560	-	86,429,560
Appropriate for legal reserve	21	-	-	1,254,729	(1,254,729)	-	-	-	-	-	-
Dividend payment	22	-	-	-	(15,769,521)	-	-	-	(15,769,521)	-	(15,769,521)
Dividend payment by subsidiary company		-	-	-	-	-	-	-	-	(50,220)	(50,220)
Non-controlling interests decreased from the dissolution of a subsidiary	14	-	-	-	-	-	-	-	-	(80,436)	(80,436)
Transactions with owners		31,500,000	54,929,560	1,254,729	(17,024,250)	-	-	-	70,660,039	(130,656)	70,529,383
Profit for the year		-	-	-	41,633,506	-	-	-	41,633,506	270,566	41,904,072
Other comprehensive income for the year		-	-	-	(291,369)	-	42,615,448	42,615,448	42,324,079	(12,513)	42,311,566
Total comprehensive income for the year		-	-	-	41,342,137	-	42,615,448	42,615,448	83,957,585	258,053	84,215,638
Balance as at 31 December 2021		346,891,514	380,640,846	15,220,095	156,440,014	550,469	7,065,930	7,616,399	906,808,868	2,047,138	908,856,006
Balance as at 1 January 2022		346,891,514	380,640,846	15,220,095	156,440,014	550,469	7,065,930	7,616,399	906,808,868	2,047,138	908,856,006
Dividend payment	23	-	-	-	(10,406,404)	-	-	-	(10,406,404)	-	(10,406,404)
Dividend payment by subsidiary company		-	-	-	-	-	-	-	-	(50,200)	(50,200)
Transactions with owners		-	-	-	(10,406,404)	-	-	-	(10,406,404)	(50,200)	(10,456,604)
Loss for the year		-	-	-	(24,371,739)	-	-	-	(24,371,739)	(345,838)	(24,717,577)
Other comprehensive income for the year		-	-	-	-	-	(24,397,681)	(24,397,681)	(24,397,681)	-	(24,397,681)
Total comprehensive income for the year		-	-	-	(24,371,739)	-	(24,397,681)	(24,397,681)	(48,769,420)	(345,838)	(49,115,258)
Balance as at 31 December 2022		346,891,514	380,640,846	15,220,095	121,661,871	550,469	(17,331,751)	(16,781,282)	847,633,044	1,651,100	849,284,144

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

(Unit : Baht)		Issued and	Premium	Retained earnings		
		paid-up	on common	Appropriated for		
	Notes	share capital	share capital	legal reserve	Unappropriated	Total
<u>Separate F/S</u>						
Balance as at 1 January 2021		315,391,514	325,711,286	13,965,366	119,786,874	774,855,040
Share increment during the year	21	31,500,000	54,929,560	-	-	86,429,560
Appropriate for legal reserve	22	-	-	1,254,729	(1,254,729)	-
Dividend payment	23	-	-	-	(15,769,521)	(15,769,521)
Transactions with owners		31,500,000	54,929,560	1,254,729	(17,024,250)	70,660,039
Profit for the year		-	-	-	25,094,577	25,094,577
Other comprehensive income for the year		-	-	-	(151,834)	(151,834)
Total comprehensive income for the year		-	-	-	24,942,743	24,942,743
Balance as at 31 December 2021		346,891,514	380,640,846	15,220,095	127,705,367	870,457,822
Balance as at 1 January 2022		346,891,514	380,640,846	15,220,095	127,705,367	870,457,822
Dividend payment	23	-	-	-	(10,406,404)	(10,406,404)
Transactions with owners		-	-	-	(10,406,404)	(10,406,404)
Loss for the year		-	-	-	(12,040,208)	(12,040,208)
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	(12,040,208)	(12,040,208)
Balance as at 31 December 2022		346,891,514	380,640,846	15,220,095	105,258,755	848,011,210

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash Flows from Operating Activities				
Profit (loss) before income tax	(29,543,472)	46,895,397	(14,568,250)	28,740,701
Adjustments to reconcile profit (loss) before income tax to net cash provided from (used in) operating activities:				
Depreciation and amortisation	48,066,010	45,165,020	36,499,583	35,612,535
Reversal of allowance for expected credit loss	(1,139,054)	(4,791,192)	(1,088,828)	(4,021,058)
Allowance (reversal of allowance) for obsolete and devaluation of inventories	(1,264,632)	(1,975,922)	615,775	52,264
Unrealised loss (gain) on exchange rate	(499,631)	313,769	(588,759)	440,990
Impairment loss on investment in associated company	-	-	12,000,000	-
Gain on disposal of temporary investments	-	(48,064)	-	(48,064)
Share of loss from investment in associated company	10,925,225	242,075	-	-
Loss (gain) on disposal of assets and non-current assets held for sale	1,230,264	(4,218,969)	2,146,471	(3,985,144)
Loss on written-off bad debt	-	987,563	-	987,563
Loss on written-off obsolete inventories	-	2,351,388	-	-
Loss on written-off assets and intangible assets	12,611	61,640	12,611	1,385
Dividend income	-	-	(16,239,770)	(8,171,780)
Loss on business dissolution - investment in subsidiary	-	-	-	10,938
Employee benefits obligation expenses	985,463	858,776	804,451	726,699
Interest income	(196,658)	(138,422)	(16,003)	(16,156)
Finance costs	4,246,569	4,263,442	4,116,304	4,034,754
Cash provided from operations before changes in operating assets and liabilities	32,822,695	89,966,501	23,693,585	54,365,627
Decrease (increase) in operating assets:				
Trade accounts receivable - general customers	17,214,395	(8,684,178)	934,498	(123,270)
- related parties	(339,445)	96,597	7,037,811	331,235
Other accounts receivable - general customers	1,587,449	(2,741,859)	-	-
- subsidiary company	-	-	(152,100)	-
Inventories	(4,048,514)	(21,754,471)	174,682	(26,453,634)
Refundable value added tax	4,595,668	1,600,394	4,595,668	1,600,394
Other current assets	210,334	334,800	160,084	564,401
Increase (decrease) in operating liabilities:				
Trade accounts payable - general suppliers	(23,866,668)	19,518,937	(22,286,596)	18,287,055
- related companies	(168,226)	118,724	136,407	109,936
Other accounts payable - related companies	2,418	-	12,987	1,704
Accrued expenses	(9,381,501)	3,527,632	(4,382,951)	3,568,494
Other current liabilities	1,433,910	(995,731)	1,121,756	(970,528)
Cash provided from operations	20,062,515	80,987,346	11,045,831	51,281,414

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash provided from operations (Continued)	20,062,515	80,987,346	11,045,831	51,281,414
Interest received	196,658	138,422	16,003	16,156
Interest paid	(4,028,056)	(3,954,709)	(3,933,958)	(3,770,759)
Income tax paid	(7,953,504)	(18,903,396)	(493,614)	(10,615,535)
Net cash provided from operating activities	8,277,613	58,267,663	6,634,262	36,911,276
Cash Flows from Investing Activities:				
Proceeds from disposal of temporary investments	-	15,731,325	-	15,731,325
Purchase of temporary investments	-	(1,450,000)	-	(1,450,000)
Proceeds payback from a subsidiary's dissolution	-	4,741,310	-	4,741,310
Purchase investment in associated company	-	(40,133,100)	-	(40,133,100)
Purchase of fixed assets and computer software	(16,426,217)	(18,964,703)	(10,025,528)	(12,616,731)
Payment for investment in subsidiary	-	-	(889,700)	(2,900,000)
Payment for payable for purchases of fixed assets	(222,153)	(2,815,998)	(222,153)	(2,815,998)
Proceeds from disposal of fixed assets				
and non-current assets held for sales	2,749,852	22,593,459	1,833,645	576,939
Cash received from dividend	-	-	16,239,770	8,171,780
Net cash provided from (used in) investing activities	(13,898,518)	(20,297,707)	6,936,034	(30,694,475)
Cash Flows from Financing Activities				
Increase (decrease) in bank overdraft and short-term loans from bank	(18,077,115)	1,665,372	(18,089,757)	12,986,048
Repayment of long-term loan	-	(4,300,000)	-	(4,300,000)
Repayment of lease liabilities	(685,779)	(13,902,089)	(685,779)	(13,902,089)
Cash received from share increment	-	26,229,560	-	26,229,560
Dividend payment	(10,406,404)	(15,769,521)	(10,406,404)	(15,769,521)
Dividend payment by subsidiary company	(50,220)	(50,220)	-	-
Net cash provided from (used in) financing activities	(29,219,518)	(6,126,898)	(29,181,940)	5,243,998
Exchange differences from foreign currency financial statements translation	(11,955,044)	1,595,814	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(46,795,467)	33,438,872	(15,611,644)	11,460,799
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	159,204,884	125,766,012	42,603,127	31,142,328
CASH AND CASH EQUIVALENTS AT ENDING OF YEAR	112,409,417	159,204,884	26,991,483	42,603,127

Supplemental disclosures for cash flows information

Non-cash items

Transferred right-of-use assets to property, plant and equipment	1,711,154	39,811,703	1,711,154	39,811,703
Transferred property, plant and equipment to intangible assets	28,500	-	28,500	-
Payable for purchase of fixed assets	25,873	222,153	25,873	222,153
Share increment for investment in associated company	-	60,200,000	-	60,200,000
Reversal advance receipt for assets settlement	-	7,550,000	-	7,550,000

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. NATURE OF OPERATIONS

The Company was incorporated under the Thai Civil and Commercial Code as a limited company on 24 May 1990 in the name of N.D. Rubber Company Limited. The Company changed its status to a public company and registered the change of its name to “N.D. Rubber Public Company Limited” on 15 May 2014.

The Company and its subsidiaries are engaged in manufacturing and distributing motorcycle tyres and tubes, and distributing battery for automobile and motorcycle, including other related services, and manufacturing and distributing rubber and synthetic products for automobile and motorcycle, distributing footwear, and producing and distributing electricity from the solar energy. The registered office address of the Company is 129 Moo 3, Nongsak-Phanasnikom Road, Nongeiroom Sub-district, Banbueng, Chonburi. The major shareholders of the Company are “Samrittivanicha” Family at 51.96% shareholding.

These financial statements have been authorised for issue by the Company’s authorised directors on 23 February 2023.

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1 Statement of compliance

The accompanying financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) issued by the Federation of Accounting Professions and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The consolidated and separate financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to use certain critical accounting estimates and to exercise judgment in the process of adopting and application the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.2 Principles of consolidation

The consolidated financial statements include the financial statements of N.D. Rubber Public Company Limited and its subsidiaries which the Company can exercise control or holdings the voting shares more than 50 percentage of total voting shares as follow:

Subsidiary Companies	Country	Percentage of holding (%)		Nature of business
		2022	2021	
<u>Direct</u>				
N.D. Interparts Co., Ltd.	Thailand	91.77	91.77	Manufacturing and distributing rubber and synthetic products for automobile and motorcycle
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD.	Malaysia	100.00	100.00	Distributing of bicycle motorcycle and tyres and tubes and other rubber related product
N.D. Green Planet Co., Ltd.	Thailand	88.97	-	Producing and distributing electricity from the solar energy
<u>Indirect</u>				
FKR MARKETING SND. BHD.	Malaysia	100.00	100.00	Distributing bicycle and motorcycle tyres and tubes
GCB TRADING SDN. BHD.	Malaysia	100.00	100.00	Distributing footwear

Significant inter-company transactions with subsidiaries and indirect subsidiaries have been eliminated in the consolidated financial statements preparation.

The consolidated financial statements have been prepared using the same accounting policies for similar transactions or accounts of similar nature in the preparation of the Company's financial statements.

Subsidiary

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The total assets of subsidiaries as at 31 December 2022 and 2021 and total revenues for the years ended 31 December 2022 and 2021, as included in the consolidated financial statements presented in term of percentages as follow:

	Percentage of subsidiary's total assets		Percentage of subsidiary's total	
	to consolidated total assets		revenues to consolidated total revenues	
	31 December	31 December	For the years ended 31 December	
	2022	2021	2022	2021
<u>Subsidiary companies</u>				
N.D. Interparts Co., Ltd.	2.66	2.18	6.39	5.62
FUNG KEONG RUBBER				
MANUFACTORY (MALAYA) SDN.				
BHD.	32.89	26.09	45.62	37.51
N.D. Green Planet Co., Ltd.	0.94	-	-	-

2.3 Amended financial reporting standards

2.3.1 Amended financial reporting standards which effective in the current year

During the year 2022, the Group has adopted the revised financial reporting standards and the guidance announced by the Federation of Accounting Professions which are effective for accounting period beginning on or after 1 January 2022. These financial reporting standards were amended in alignment with the corresponding International Financial Reporting Standards. Most of the changes were directed towards clarifying accounting treatment and providing accounting guidance.

However, the adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.3.2 Amended financial reporting standards that will become effective for the accounting period beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were amended in alignment with the corresponding International Financial Reporting Standards. Most of the changes were directed towards clarifying accounting treatment and providing accounting guidance.

The Group's management is in the process of evaluating the impact of these financial reporting standards on the financial statements of the Group in the period of initial adoption.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

3.2 Trade accounts receivable and allowance for expected credit losses

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade accounts receivable are presented at the net realisable value. The Group applies the TFRS 9 simplified approach to measure expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the trade accounts receivable. To measure the expected credit losses, trade accounts receivable have been grouped based on the due of payment. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on economic factors affecting the ability of the customers to settle the receivables. The expected credit losses are recognised in profit or loss.

3.3 Inventories

Inventories are presented at the lower of cost or net realisable value. Cost is calculated by the following methods:

Finished goods, work in process and raw materials	- At cost (FIFO method)
Other supplies	- At cost (FIFO method)

Net realisable value is the estimated selling price in the ordinary course of business less the costs of completion (for work in process) and selling expenses. Provision is made, where necessary, for slow moving and defective inventories based on the Group's experiences and the current information.

3.4 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements is accounted for by cost method. The Company recognises gain or loss on disposal in the statement of comprehensive income in the year which sales of investment occurred. In case of impairment on investment, the Company will recognise loss on impairment of investment as expense in the statement of comprehensive income.

3.5 Investment in associated company

Associated company is a company in which the Group has significant influence, but not control, over the financial and operating policies. Investment in associated company in the separate financial statements is accounted for using the cost method less allowance for impairment (if any).

In the consolidated financial statements, the equity method is applied which include the Group's share of the recognised gains or losses of associated company on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of loss exceeds its investment in an associated company, the Group's carrying amount is reduced to zero and the recognition of further loss is discontinued except to the extent that the Group has legal or constructive obligation to make payment on behalf of the associated company.

3.6 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated company and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

3.7 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (If any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

	Years
Buildings and construction	10 - 50
Machinery and tooling	5 - 25
Factory equipment	2 - 20
Furniture, fixture and office equipment	3 - 15
Vehicles	7 - 10

No depreciation is provided on freehold land and assets in transit and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.8 Intangible assets

Computer software

Computer software is presented at cost less accumulated amortisation. Amortisation is calculated by reference to cost on a straight-line method over the estimated period of 5 years.

Trademarks

The Group's trademarks represent trademarks under the name "FKR" and "GCB". Trademarks acquired in a business combination and are recognised at fair value at the acquisition date. The Group continues to use the trademarks in commercial; and therefore, the trademarks have a finite useful life of 28 years and carried at the cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the trademarks.

Customer relationships

Customer relationships acquired in a business combination and are recognised at fair value at the acquisition date. The customer relationships have a finite useful life of 8 years are carried at the cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationships.

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less allowance for impairment losses.

3.9 Non-current assets held for sale

Non-current assets held for sale comprising assets that are expected to be recovered primarily through sale rather than through continuing use.

Classification of the assets as held for sale occurs only when the assets are available for immediate sale in its present condition subject only to terms that are usual, and customer and the sale must be highly probable. Management must be committed to a plan to sell the assets which are expected to qualify for recognition as a

completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or plan will be withdrawn.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment once classified as non-current assets held for sale is not depreciated.

3.10 Impairment

The Group assesses whether there is an indication that any asset may be impaired. If any such indication exists, the Group makes an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognised in the statement of comprehensive income. An asset recoverable amount is the higher of fair value less costs to sell or value in use.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

3.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in profit or loss as incurred.

Foreign subsidiary

The assets and liabilities of foreign subsidiary are translated into Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign subsidiary are translated into Thai Baht at rates approximating the exchange rates at the dates of the transactions.

3.12 Employee benefits

Short-term employment benefits

Salaries, wages, bonuses, and contribution to the social security are recognised as expenses when incurred on the accrual basis.

Post-employment benefits (Defined contribution plan)

The Company and subsidiary in Thailand with their employees have jointly established a provident fund plan whereby monthly contribution are made by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund from the Company's and subsidiaries assets. The Company's and subsidiary contribution to the fund are recognised as expenses when incurred.

Post-employment benefits (Defined benefit plan)

The Company and subsidiary in Thailand have obligation in respect of the severance payment to employees upon retirement under the labour law. The Company and subsidiary set up the obligation under the defined benefits plan based on actuarial techniques, using the discount method on each projected unit.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Actuarial gains or losses arising from post-employment benefits are recognised immediately in other comprehensive income.

3.13 Right-of-use assets

Leases - where the Group are the lessee

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs, and estimated costs to

dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the exercise price under a purchase option that the Group is reasonably certain to exercise.

After initial cost measurement, when the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

The Group recognises the short-term leases payment and leases of low-value assets payment associated with these leases as an expense on a straight-line basis over the lease term. The short-term leases is lease which had lease term of 12 months or less.

3.14 Revenue and expenditure recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time as the nature of revenues as follow:

Sales of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Interest income

Recognised on an accrual basis on a time proportion that reflects the effective yield on the asset.

Dividend income

Recognised when the right to receive the dividend is established.

Other income

Recognised on an accrual basis.

Expenses

Recognised base on an accrual basis during the period.

3.15 Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognised in profit or loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current income tax

Current income tax is the expected tax payable or claimable, under the income tax prevailing, on the taxable profit or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting year, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of the reporting year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and if they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they are intended to be settled on a net basis or when income tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.16 Financial instrument

Recognition and derecognition

The Group shall recognise a financial asset or a financial liability when the Group becomes party to the contractual provisions of the instrument.

The Group shall derecognised a financial asset when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

Initial recognition and measurement of financial assets

The Group classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- the Group's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset (SPPI)

with the exception of allowance for expected credit losses from trade accounts receivable as separable.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions:

- The Group is held within a business model whose objective is to hold the financial assets and collect its contractual cash flows and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are measured at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Impairment of financial assets

For trade accounts receivable, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises allowance for expected credit losses based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Initial recognition and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost.

The Group's financial liabilities include bank overdraft and short-term loans from bank, trade accounts payable, other accounts payable, accounts payable for purchases of fixed assets, lease liabilities, and accrued expenses.

Subsequent measurement of financial liabilities

Financial liabilities at amortised cost

After initial recognition, carrying amounts are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

3.17 Share premium

The Company records cash received in excess of the par value of the shares issued as share premium in the statement of financial position, share premium are deducted from any transaction costs associated with the issuing of shares and related income tax benefits.

3.18 Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

3.19 Basic earnings per share

Basic earnings per share is determined by dividing the profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

3.20 Segment reporting

Segment results that are reported to chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.21 Provisions for liabilities and expenses and contingent assets

Provisions for liabilities and expenses are recognised in the financial statements when the Group have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognised as separate assets only when the realisation is virtually certain.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT

Use of accounting estimates

When preparing the financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgments are as follow:

4.1 Allowance for expected credit losses of trade accounts receivable

The Group estimates expected credit losses of trade accounts receivable by measuring the expected credit losses, trade accounts receivable have been grouped based on shared credit risk characteristics and the due of payment. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

4.2 Allowance for impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

4.3 Allowances for slow-moving and defective inventories

The Group estimates allowances for slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

4.4 Plant, equipment and intangible assets

Management regularly determines the estimated useful lives and residual values for the Group's plant, equipment and intangible assets, and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or when they are no longer in used.

4.5 Impairment of assets

The Group treat asset as impaired when there has been a significant or prolonged decline in the fair value. The determination of what is "significant" or "prolonged" requires management judgment.

4.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by asset or the cash generated by the asset or the cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

4.7 Post-employment benefits (defined benefit plans)

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. Actual post-retirement costs may ultimately differ from these estimates.

4.8 Deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group's future taxable profit against which the deductible temporary differences can be utilised. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.9 Leases

Determine the lease terms

The Group shall determine the lease term is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group shall consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Group shall revise the lease term if there is a change in the non-cancellable of a lease by may be caused by the Group using (or not exercising) rights. The reasonably certain assessment of certainty upon the occurrence of either a significant event or a significant change in circumstances. This has an impact on assessment of the lease term and is under the control of the Group.

Determination of the discount rate on lease liabilities

The Group assesses interest rate of incremental borrowing of lessee. Using information provided by third-party financing of each leasing entity and updating information obtained to reflect changes in the tenant's financial factors, if possible.

5. CASH AND CASH EQUIVALENTS

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash	1,031,019	157,997	100,000	100,000
Cash at banks				
- Current account	21,456,398	96,261,241	19,465,947	15,781,606
- Saving account	50,770,000	62,785,646	7,425,536	26,721,521
- Fixed account less than 3 months	39,152,000	-	-	-
Total	112,409,417	159,204,884	26,991,483	42,603,127

The currency denomination of cash and cash equivalents as at 31 December 2022 and 2021 are as follows:

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
THB	26,610,490	37,390,016	23,693,548	33,199,431
MYR	80,979,897	112,411,172	1,878	-
USD	4,819,030	9,403,696	3,296,057	9,403,696
Total	112,409,417	159,204,884	26,991,483	42,603,127

6. TRANSACTIONS WITH RELATED PARTIES

The Company has certain business transactions with its related companies which are related through common shareholding and/or management. Such transactions are made under the conditions and terms of general trade practice.

Relationship with related parties were as follows:

Name	Relationship
N.D. Interparts Co., Ltd.	Subsidiary company
N.D. Green Planet Co., Ltd.	Subsidiary company
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD.	Subsidiary company
FKR MARKETING SDN. BHD.	Indirect subsidiary company
GCB TRADING SDN. BHD.	Indirect subsidiary company
Etran (Thailand) Co., Ltd.	Associated company
T.Thai Charoen Service Co., Ltd.	Co-director
T.Thai Chareon Rubber Co., Ltd.	Co-director
S.M.K. Industry Co., Ltd.	Co-director
Thai Saengareon Services Co., Ltd.	Co-director
Thai Chareon Service Tyre Co., Ltd.	Co-director
Siam Plastwood Co., Ltd.	Co-director
Siam Sanshin Co., Ltd.	Same director and shareholders
Sangcharoen Tools Center Co., Ltd.	Family member of director
White House Plastic Limited Partnership	Family member of director
Mr.Thanapol Samrittivanicha	Family member of director
Ms. Oraphan Samrittivanicha	Family member of director

Significant transactions with related parties for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Baht)		Consolidated F/S		Separate F/S	
		For the years ended 31 December			
		Pricing Policy	2022	2021	2022
Revenue from sales of goods					
- Subsidiary company	Agreed price	-	-	541,783	180,242
- Indirect subsidiary company	Agreed price	-	-	220,991,285	216,893,169
- Associated company	Agreed price	326,210	673,000	326,210	673,000
- Related parties	Agreed price	3,086,474	3,398,016	3,086,474	3,398,016
Total		3,412,684	4,071,016	224,945,752	221,144,427
Purchase of raw materials					
- Subsidiary company	Agreed price	-	-	5,238,955	2,154,985
- Associated company	Agreed price	-	12,385	-	12,385
- Related companies	Agreed price	529,816	474,290	209,609	363,792
Total		529,816	486,675	5,448,564	2,531,162
Rental income					
- Subsidiary company	Agreed price	-	-	1,800,000	1,656,000
Service income					
- Subsidiary company	Agreed price	-	-	11,948	11,421
Electricity expense					
- Subsidiary company	Agreed price	-	-	491,776	490,139
Other expense					
- Related company	Agreed price	12,770	-	-	-
Key directors and management compensation					
Short-term benefits		10,808,271	12,958,877	5,578,953	7,737,572
Provision for post-employment benefit		155,933	139,320	128,789	120,879
Total		10,964,204	13,098,197	5,707,742	7,858,451

As at 31 December 2022 and 2021, the outstanding balances with related parties are as follows :

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Trade accounts receivable				
- Subsidiary company	-	-	19,006	19,009
- Indirect subsidiary company	-	-	12,927,953	20,527,960
- Associated company	72,493	-	72,493	-
- Related parties	818,277	551,325	818,277	551,325
Total	890,770	551,325	13,837,729	21,098,294
Other accounts receivable				
- Subsidiary company	-	-	152,100	-
Trade accounts payable				
- Subsidiary company	-	-	696,440	447,515
- Related companies	49,146	217,372	49,146	161,664
Total	49,146	217,372	745,586	609,179
Other accounts payable				
- Subsidiary company	-	-	96,868	86,299
- Related company	2,418	-	2,418	-
Total	2,418	-	99,286	86,299
Key directors and management compensation				
- Employee benefits obligation	1,869,159	1,546,322	1,431,946	1,312,207

7. TEMPORARY INVESTMENTS

(Unit : Baht)

Consolidated and
Separate F/S

	2022	2021
Temporary investments	-	-

During the years ended 31 December 2022 and 2021, movements of temporary investments are as follows

(Unit : Baht)

Consolidated and
Separate F/S

	2022	2021
Fair value as at 1 January	-	14,233,261
Purchases	-	1,450,000
Disposals	-	(15,731,325)
Gain on disposal of temporary investments	-	48,064
Fair value as at 31 December	-	-

8. TRADE ACCOUNTS RECEIVABLE

As at 31 December 2022 and 2021, the aged of trade accounts receivable are as follows :

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Trade accounts receivable - general customers				
Not yet due	81,794,638	103,715,821	29,529,225	34,099,980
Over due :				
Less than 3 months	15,486,157	11,330,968	13,175,312	9,174,437
3 - 6 months	2,435,238	187,428	589,589	480
6 - 12 months	521,366	268,438	521,366	82,820
Over 12 months	888,070	3,297,414	888,070	2,513,533
Total	101,125,469	118,800,069	44,703,562	45,871,250
<u>Less</u> Allowance for expected credit loss	(1,630,084)	(2,917,460)	(1,539,831)	(2,861,849)
Net	99,495,385	115,882,609	43,163,731	43,009,401
Trade accounts receivable - related parties				
Not yet due	890,770	291,443	13,335,251	20,838,412
Over due :				
Less than 3 months		259,882	502,478	259,882
Net	890,770	551,325	13,837,729	21,098,294

Allowance for expected credit losses of accounts receivable as at 31 December 2022 and 2021 are as follow:

(Unit : Baht)

Consolidate F/S

The aged of accounts receivable	31 December 2022		31 December 2021	
	Book Value	Allowance for	Book Value	Allowance for
		expected credit losses		expected credit losses
Not yet due	82,685,408	147,716	104,007,264	211,515
Less than 3 months	15,486,157	182,700	11,590,850	106,701
3 - 6 months	589,589	180,746	187,428	47
6 - 12 months	2,367,015	232,322	268,438	30,053
Over 12 months	888,070	886,600	3,297,414	2,569,144
Total	102,016,239	1,630,084	119,351,394	2,917,460

(Unit : Baht)

Separate F/S

The aged of accounts receivable	31 December 2022		31 December 2021	
	Book Value	Allowance for	Book Value	Allowance for
		expected credit losses		expected credit losses
Not yet due	42,865,946	147,717	54,938,392	211,515
Less than 3 months	13,677,790	182,700	9,434,319	106,701
3 - 6 months	589,589	90,492	480	47
6 - 12 months	521,366	232,322	82,820	30,053
Over 12 months	886,600	886,600	2,513,533	2,513,533
Total	58,541,291	1,539,831	66,969,544	2,861,849

During the years ended 31 December 2022 and 2021, the movements in allowance for expected credit loss of trade accounts receivable as follow:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	2,917,460	7,676,110	2,861,849	6,882,907
<u>Add</u> Expected credit losses	86,474	-	-	-
<u>Less</u> Reversal of expected credit losses	(1,139,054)	(4,791,192)	(1,088,828)	(4,021,058)
Write-off bad debt	(233,190)	-	(233,190)	-
Exchange differences from financial statements translation	(1,606)	32,542	-	-
Balance as at 31 December	1,630,084	2,917,460	1,539,831	2,861,849

9. INVENTORIES

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Raw materials	19,778,901	38,279,779	19,124,926	37,815,930
Work in process	14,537,228	12,988,117	13,360,830	11,796,533
Finished goods	101,950,874	87,033,776	28,879,324	23,062,198
Supply inventories	3,494,741	2,948,534	2,855,304	2,356,101
Fuel	347,946	465,595	347,948	465,595
Packaging	4,028,275	3,778,961	3,981,715	3,748,539
Goods in transit	11,826,027	6,461,313	10,520,167	-
Total	155,963,992	151,956,075	79,070,214	79,244,896
<u>Less</u> Allowance for obsolete and declining values of inventories	(3,829,562)	(5,134,791)	(1,171,879)	(556,104)
Inventories - net	152,134,430	146,821,284	77,898,335	78,688,792

During the years ended 31 December 2022 and 2021, the movements of allowances for obsolete and declining value of inventories are as follows:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Beginning balance as at 1 January	5,134,815	9,011,224	556,104	503,840
<u>Add</u> Allowance for obsolete inventories	2,161,926	1,042,463	1,058,263	168,263
<u>Less</u> Reversal of allowance for				
obsolete inventories	(3,426,558)	(3,018,385)	(442,488)	(115,999)
Written-off	-	(2,351,388)	-	-
Exchange differences from financial				
statements translation	(40,621)	450,877	-	-
Ending balance as at 31 December	3,829,562	5,134,791	1,171,879	556,104

Inventories recognised as an expense in cost of sales during the years ended 31 December 2022 and 2021 are as follows :

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cost of sales	731,278,392	689,872,197	603,224,350	544,087,958
Expense from allowance for obsolete and				
slow-moving inventories	2,161,926	1,042,463	1,058,263	168,263
Reversal of allowance for obsolete and slow-				
moving inventories	(3,426,558)	(5,369,773)	(442,488)	(115,999)
Net	730,013,760	685,544,887	603,840,125	544,140,222

10. NON-CURRENT ASSETS HELD FOR SALE

(Unit : Baht)

	Consolidated F/S
	Building and construction
Cost	
1 January 2021	8,997,197
Disposals	(8,997,197)
31 December 2021 and 2022	-
Accumulated depreciation	
1 January 2021	899,720
Accumulated depreciation for disposals	(899,720)
31 December 2021 and 2022	-
Net book value	
31 December 2021	-
31 December 2022	-

During the year 2021, the subsidiary in overseas entered into sales and purchase agreements with a third party for the disposal of its properties in which such transactions were completed in the year 2021.

11. INVESTMENT IN SUBSIDIARIES

(Unit : Thousand Baht)

Subsidiaries	Type of business	Separate F/S							
		Paid-up		Percentage of		Cost method		Dividend income	
		Share capital		Shareholding				during the year	
		2022	2021	2022	2021	2022	2021	2022	2021
<u>Direct subsidiaries</u>									
N.D. Interparts Co., Ltd.	Manufacturing and distributing rubber and synthetic products for motorcycle and automobile	6,100	6,100	91.77	91.77	5,598	5,598	560	560
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD.	Distributing of motorcycle tyres and tubes and other rubber related product	161,028	161,028	100.00	100.00	408,017	408,017	15,680	7,612
N.D. Green Planet Co., Ltd.	Producing and distributing electricity from the solar energy	1,000	-	88.97	-	889	-	-	-
Total						414,504	413,615	16,240	8,172

N.D. Interparts Co., Ltd.

At the 2022 Annual General Meeting of Shareholder of N.D. Interparts Co., Ltd. (subsidiary company), held on 19 April 2022, the shareholders of subsidiary passed the resolution to pay dividend from profit for the year ended 31 December 2021 at Baht 10 per share, totalling Baht 0.61 million. The dividend was paid by subsidiary on 13 May 2022.

At the 2021 Annual General Meeting of Shareholder of N.D. Interparts Co., Ltd. (Subsidiary company), held on 29 April 2021, the shareholders of subsidiary passed the resolution to pay dividend from profit for the year ended 31 December 2020 at Baht 10.00 per share, totalling Baht 0.61 million. The dividend was paid by subsidiary on 14 May 2021.

FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD.

On 31 January 2022, the shareholders of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD. (Subsidiary company) passed the resolution to pay dividend from profit for the year ended 31 December 2021 at MYR 0.67 per share, totalling MYR 2.00 million (equivalent to Baht 15.68 million). The dividend was paid by subsidiary on 29 March 2022.

On 30 April 2021, the shareholders of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN. BHD. (Subsidiary company) passed the resolution to pay dividend from profit for the year ended 31 December 2020 at MYR 0.05 per share, totalling MYR 1.00 million (equivalent to Baht 7.61 million). The dividend was paid by subsidiary on 6 July 2021.

N.D. Energy Fusion Co., Ltd.

At the Board of Directors' Meeting No. 2/2021, held on 11 May 2021, the Board of Directors passed resolutions to approve to cease operation of N.D. Energy Fusion Co., Ltd., a subsidiary with 98.33% shareholding. The cease of the subsidiary's operation does not have any significant effect to the Company's operation and financial statements because the Company had already set up allowance for impairment of investment to present with the recoverable amount. The subsidiary proceeds the registration of business dissolution and liquidation with the Department of Business Development under the Ministry of Commerce on 28 June 2021. The Company had received payback from subsidiary amount of Baht 4.74 million on 9 July 2021.

During the year 31 December 2021, the portion of total assets and total revenues of N.D. Energy Fusion Co., Ltd. comparing with total assets and total revenues shown in the consolidated financial statements is 0.34 percent and 0.00 percent, respectively. Management has considered that the proportion of total assets and total revenues of such subsidiary is insignificant to the financial statements as a whole. Therefore, the Group did not reclassify as a discontinued operations and did not show the discontinued operations results separately from the Group's normal operating results.

N.D. Green Planet Co., Ltd.

At the Board of Director's meeting No. 2/2022 held on 12 May 2022, the Board of Director passed a resolution to approve a joint investment with N.D. Interparts Co., Ltd. for establishment of N.D. Green Planet Co., Ltd. at the shareholding portion of 88.97% and 11.03%, respectively. N.D. Green Planet Co., Ltd. is engaged in producing and distributing electricity from the solar energy for the Company and N.D. Interparts Co., Ltd. The said company has registered share capital of Baht 1,000,000 with the 10,000 ordinary share at Baht 100 par value, and incorporated with the Department of Business Development, Ministry of Commerce, on 5 July 2022.

At the Board of Director's meeting No. 4/2022 held on 10 November 2022, the Board of Director passed a resolution to approve to invest in share increment of N.D. Green Planet Co., Ltd. of Baht 15,000,000 with 150,000 ordinary shares, at Baht 100 par value. N.D. Green Planet Co., Ltd. registered the increase in share capital with the Department of Business Development, Ministry of Commerce, on 18 November 2022. During the year ended 31 December 2022, such subsidiary company did not call for the paid-up share capital. There was no change in the percentage of shareholding in this subsidiary company.

12. INVESTMENT IN ASSOCIATED COMPANY

Investment in associated company as at 31 December 2022 and 2021 comprise of:

(Unit : Baht)			Percentage of		Paid-up share capital		Cost method		Equity method	
Associated company	Location	Type of business	2022	2021	2022	2021	2022	2021	2022	2021
Etran (Thailand) Co., Ltd.	Thailand	Manufacturing and distributing electronic motorcycle	35	35	75,000,000	75,000,000	100,333,100	100,333,100	89,165,800	100,091,025
<u>Less</u> Provision for impairment on investment in associated company							(12,000,000)	-		-
							88,333,100	100,333,100	89,165,800	100,091,025

At the Board of Directors' Meeting No. 2/2021, held on 11 May 2021, the Board of Directors passed resolutions to approve to invest in Etran (Thailand) Co., Ltd. The Company acquired ordinary share of Etran (Thailand) Co., Ltd. at 35% of paid-up share capital shareholding, totalling amount of Baht 60.20 million and appoint Mr. Chaiyasit Samrittivanicha to be a director of said company. The Company settled for the investment cost by allocation of newly issued ordinary share of the Company as Private Placement, which was approved by the 2021 Annual General Meeting of Shareholder, to Etran (Thailand) Co., Ltd. which was determined by reference the weighted average of market price for 15 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot offer the newly issued common share.

At the Extraordinary General Meeting of shareholders' associated company No. 3/2021, held on 29 October 2021, the shareholders passed the resolutions to approve the increased of its registered share capital from Baht 45 million to Baht 75 million, by issuing 300,000 common shares at par value of Baht 100. The associated company registered the increment of share capital with Department of Business Development under the Ministry of Commerce on 9 November 2021.

At the Board of Directors' Meeting No. 4/2021, held on 29 October 2021, the Board of Directors passed resolutions to approve to invest in share increment of Etran (Thailand) Co., Ltd. of Baht 40.13 million. There was no change in the percentage of shareholding in this associated company.

At the Board of Directors Meeting of associated company No. 4/2021, held on 3 November 2021, the Board of Directors of associated company passed resolutions to approve to invest in Etran Rental Co., Ltd. at 99.99% of paid-up share capital for 49,997 shares at Baht 100 par value, totaling Baht 4,999,700.

As at 31 December 2021, the Company was completed the purchase price allocation for the acquisition of the associated company.

The reconciliation of the financial information with the associated company's net assets is as follows:

(Unit: Thousand Baht)

12 May 2021

(Investment date)

Net assets of associated company at the acquisition date	9,021
Portion of shareholding in Etran (Thailand) Co., Ltd. (percentage)	35.00
Share of net assets	3,157
Goodwill	57,043
Carrying amount of associated company at the acquisition date	60,200

Movements in investment in associated company for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	100,091	-	100,333	-
Acquisition of associated company	-	60,200	-	60,200
Additional investment during the year	-	40,133	-	40,133
Share of loss from associated company	(10,925)	(242)	-	-
Provision for impairment	-	-	(12,000)	-
Balance as at 31 December	89,166	100,091	88,333	100,333

Impairment testing

For the purpose of annual impairment testing, management calculated the recoverable amount of the Company assess the recoverable amount of investment in associated company by discounted cashflow referring to a financial and business plan of the associated company. The valuation is considered to be level 3 in the fair value hierarchy.

Key assumptions used in the recoverable amount assessment include:

	Separate F/S
	31 December 2022
Growth rate (%)	From industry's growth rate
Discount rate (%)	18.30

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant key assumptions, holding other assumptions constant, would have affected the recoverable amount of investment in associated company by the amounts shown below:

(Unit: Thousand Baht)	Separate F/S	
	Increase 1%	Decrease 1%
Discount rate	(7,949)	8,257

13. NON-CONTROLLING INTERESTS

Subsidiaries with material non-controlling interests are as follow :

(Unit : Thousand Baht)	Proportion of ownership		Total comprehensive			
	interests and voting rights held		income allocated		Accumulated NCI	
	by the NCI (%)		to NCI			
Name	2022	2021	2022	2021	2022	2021
N.D. Interpart Co., Ltd.	8.23	8.23	(338)	258	1,642	2,047
N.D. Green Planet Co., Ltd.	0.91	-	(7)	-	9	-
Total			(345)	258	1,651	2,047

Summary of financial information of subsidiary companies before eliminating are as follow:

(Unit : Thousand Baht)	N.D. Interparts	N.D. Green Planet
	Co., Ltd.	Co., Ltd.
	31 December 2022	
Statements of financial position		
Current assets	16,387	10,356
Non-current assets	13,081	20
Current liabilities	(7,638)	(9,437)
Non-current liabilities	(1,939)	-
Net assets	19,891	939
Attributable to non-controlling interests	1,642	9

(Unit : Thousand Baht)

	N.D. Interparts Co., Ltd.	N.D. Green Planet Co., Ltd.
	For the year ended 31 December 2022	For the period from 5 July to 31 December 2022
Total revenue	53,649	-
Loss for the year attributable to Company's shareholder	(3,857)	(55)
Loss for the year attributable to non-controlling interest	(338)	(7)
Loss for the year/period	(4,195)	(62)
Net cash used in operating activities	(1,058)	(62)
Net cash used in investing activities	(469)	(9,457)
Net cash provided from (used in) financing activities	(610)	10,382
Net increase (decrease) in cash flow	(2,137)	863

(Unit : Thousand Baht)

	N.D. Interparts Co., Ltd.	N.D. Energy Fusion Co., Ltd.
	31 December 2021	28 June 2021
Statements of financial position		
Current assets	19,100	-
Non-current assets	14,633	-
Current liabilities	(7,312)	-
Non-current liabilities	(1,722)	-
Net assets	24,699	-
Attributable to non-controlling interests	2,032	-
	For the year ended 31 December 2021	For the period from 1 January to 28 June 2021
Total revenue	60,080	-
Profit (loss) for the year attributable to Company's shareholder	3,018	(7)
Profit (loss) for the year attributable to non-controlling interest	271	-
Profit (loss) for the year	3,289	(7)
Net cash provided from operating activities	2,409	-
Net cash used in investing activities	(6,074)	-
Net cash used in financing activities	(610)	-
Net decrease in cash flow	(4,275)	-

14. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

Consolidated F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Cost								
1 January 2021	100,114,217	383,493,058	434,470,082	58,889,289	14,490,537	23,219,264	15,611,678	1,030,288,125
Acquisitions	-	4,713,238	965,640	5,109,599	338,401	5,024,000	2,507,326	18,658,204
Disposals	-	(13,624,225)	(5,187,558)	(72,145)	(33,442)	(2,069,672)	-	(20,987,042)
Written-off	-	-	(9,117,893)	(607,986)	(153,933)	-	(1,370)	(9,881,182)
Exchange differences from financial statements translation	5,198,166	20,367,767	1,570,493	186,937	179,546	735,547	-	28,238,456
Transfer from right-of-use assets	-	-	44,500,000	-	-	6,070,500	-	50,570,500
Transfer in/(out)	-	-	799,575	2,512,549	-	-	(3,312,124)	-
31 December 2021	105,312,383	394,949,838	468,000,339	66,018,243	14,821,109	32,979,639	14,805,510	1,096,887,061
Acquisitions	-	1,008,212	987,932	2,329,177	3,663,317	4,596,593	3,477,126	16,062,357
Disposals	-	(242,000)	(68,000)	(129,812)	(856,384)	(10,259,741)	-	(11,555,937)
Written-off	-	-	-	(16,500)	(99,822)	-	(78,872)	(195,194)
Exchange differences from financial statements translation	(1,651,858)	(11,029,502)	(533,677)	-	(105,399)	(1,975,496)	-	(15,295,932)
Transfer from right-of-use assets	-	-	-	-	-	2,417,070	-	2,417,070
Transfer to intangible assets	-	-	-	-	-	-	(28,500)	(28,500)

(Unit : Baht)

Consolidated F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Transfer in /(out)	-	-	16,906,636	-	-	-	(16,906,636)	-
31 December 2022	103,660,525	384,686,548	485,293,230	68,201,108	17,422,821	27,758,065	1,268,628	1,088,290,925
Accumulated depreciation								
1 January 2021	-	149,286,147	274,208,756	42,076,528	9,421,396	16,586,212	-	491,579,039
Depreciation for the year	-	13,057,709	18,570,758	1,278,595	3,330,113	2,328,951	-	38,566,126
Accumulated depreciation for disposals	-	(12,000)	(1,070,762)	(47,403)	(26,456)	(2,003,408)	-	(3,160,029)
Accumulated depreciation for written-off	-	-	(9,117,842)	(587,305)	(114,213)	-	-	(9,819,360)
Exchange differences from financial statements translation	-	730,132	1,750,092	(41,013)	1,350,243	(120,465)	-	3,668,989
Transfer from right-of-use assets	-	-	8,998,365	-	-	2,276,437	-	11,274,802
31 December 2021	-	163,061,988	293,339,367	42,679,402	13,961,083	19,067,727	-	532,109,567
Depreciation for the year	-	15,565,134	19,913,687	4,795,843	973,820	1,676,301	-	42,924,785
Accumulated depreciation for disposals	-	(164,692)	(66,999)	(118,795)	(724,086)	(6,501,245)	-	(7,575,817)
Accumulated depreciation for written-off	-	-	-	(3,889)	(99,822)	-	-	(103,711)
Exchange differences from financial statements translation	-	(5,744,399)	(516,733)	-	(112,689)	(165,302)	-	(6,539,123)
Transfer from right-of-use-assets	-	-	-	-	-	705,916	-	705,916
31 December 2022	-	172,718,031	312,669,322	47,352,561	13,998,306	14,783,397	-	561,521,617

(Unit : Baht)

Consolidated F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Net book value								
31 December 2021	105,312,383	231,887,850	174,660,972	23,338,841	860,026	13,911,912	14,805,510	564,777,494
31 December 2022	103,660,525	211,968,517	172,623,908	20,848,547	3,424,515	12,974,668	1,268,628	526,769,308
Depreciation for the year 2021								
Cost of sales								35,054,943
Administrative expenses								3,511,183
Total								38,566,126
Depreciation for the year 2022								
Cost of sales								38,871,287
Administrative expenses								4,053,498
Total								42,924,785

(Unit : Baht)

Separate F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Cost								
1 January 2021	33,305,828	291,550,605	383,840,120	49,252,972	11,404,247	13,609,732	15,611,679	798,575,183
Acquisitions	-	4,400,738	435,740	4,204,405	288,023	474,000	2,507,325	12,310,231
Disposals	-	-	(5,187,558)	(64,531)	(33,442)	-	-	(5,285,531)
Written-off	-	-	(9,116,699)	(50,380)	(53,270)	-	(1,370)	(9,221,719)
Transfer from right-of-use assets	-	-	44,500,000	-	-	6,070,500	-	50,570,500
Transfer in/(out)	-	-	799,575	2,512,549	-	-	(3,312,124)	-
31 December 2021	33,305,828	295,951,343	415,271,178	55,855,015	11,605,558	20,154,232	14,805,510	846,948,664
Acquisitions	-	1,008,212	987,932	1,934,477	810,423	1,463,000	3,477,125	9,681,169
Disposals	-	(242,000)	(38,000)	(129,812)	(823,922)	(7,389,500)	-	(8,623,234)
Written-off	-	-	-	(16,500)	-	-	(50,372)	(66,872)
Transfer from right-of-use assets	-	-	-	-	-	2,417,070	-	2,417,070
Transfer to intangible assets	-	-	-	-	-	-	(28,500)	(28,500)
Transfer in/(out)	-	-	16,906,636	-	-	-	(16,906,636)	-
31 December 2022	33,305,828	296,717,555	433,127,746	57,643,180	11,592,059	16,644,802	1,297,127	850,328,297
Accumulated depreciation								
1 January 2021	-	138,200,340	234,193,632	33,012,608	7,372,605	8,172,542	-	420,951,727
Depreciation for the year	-	11,208,027	16,620,099	3,595,763	847,849	950,885	-	33,222,623
Accumulated depreciation for disposals	-	-	(1,070,762)	(46,516)	(26,456)	-	-	(1,143,734)

(Unit : Baht)

Separate F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Accumulated depreciation for written-off	-	-	(9,116,699)	(50,380)	(53,270)	-	-	(9,220,349)
Transfer from right-of-use assets	-	-	8,998,365	-	-	2,276,437	-	11,274,802
31 December 2021	-	149,408,367	249,624,635	36,511,475	8,140,728	11,399,864	-	455,085,069
Depreciation for the year	-	11,477,200	18,086,548	4,439,191	892,332	886,451	-	35,781,722
Accumulated depreciation for disposals	-	(164,692)	(37,000)	(118,795)	(691,627)	(3,631,004)	-	(4,643,118)
Accumulated depreciation for written-off	-	-	-	(3,889)	-	-	-	(3,889)
Transfer from right-of-use assets	-	-	-	-	-	705,916	-	705,916
31 December 2022	-	160,720,875	267,674,183	40,827,982	8,341,433	9,361,227	-	486,925,700
Net book value								
31 December 2021	33,305,828	146,542,976	165,646,543	19,343,540	3,464,830	8,754,368	14,805,510	391,863,595
31 December 2022	33,305,828	135,996,680	165,453,563	16,815,198	3,250,626	7,283,575	1,297,127	363,402,597
Depreciation for the year 2021								
Cost of sales								30,789,000
Administrative expenses								2,433,623
Total								33,222,623

(Unit : Baht)

Separate F/S

	Land and improvement	Building and construction	Machinery and tooling	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
Depreciation for the year 2022								
Cost of sales								33,319,203
Administrative expenses								2,462,519
Total								<u>35,781,722</u>

As at 31 December 2022 and 2021, the costs of fully depreciated assets which are still remained in use amounted to Baht 150.23 million and Baht 134.21 million, respectively.
(Separate F/S : Baht 102.32 million and Baht 100.90 million, respectively).

As at 31 December 2022 and 2021, land and construction thereon of the subsidiary company are mortgaged as collaterals for credit facilities with banks as mentioned in Note 17.

15. LEASES

15.1 Right-of-use assets

(Unit : Baht)

Consolidated and separated F/S

	Machinery and tooling	Vehicles	Total
Net book value			
1 January 2021	36,934,744	8,854,210	45,788,954
Depreciation for the year	(1,433,109)	(704,358)	(2,137,467)
Transfer to property, plant and equipment	(35,501,635)	(3,794,063)	(39,295,698)
31 December 2021	-	4,355,789	4,355,789
Depreciation for the year	-	(441,175)	(441,175)
Transfer to property, plant and equipment	-	(1,711,154)	(1,711,154)
31 December 2022	-	2,203,460	2,203,460
Depreciation for the year 2021			
Cost of sales			1,433,109
Administrative expenses			704,358
Total			2,137,467
Depreciation for the year 2022			
Administrative expenses			441,175

15.2 Lease liabilities

(Unit : Baht)	Consolidated and Separate F/S	
	2022	2021
Lease liabilities		
Due within one year	426,587	799,053
Due later than one year but not over five years	853,176	1,279,764
Total	1,279,763	2,078,817
<u>Less</u> Future finance charges on lease liabilities	(126,583)	(239,858)
	1,153,180	1,838,959
<u>Less</u> Current portion	(358,307)	(685,779)
Lease liabilities - net	794,873	1,153,180

During the years ended 31 December 2022 and 2021, the Company recognised finance cost which related to leases amounting to Baht 0.11 million and Baht 0.43 million, respectively.

Lease payments not recognised as liabilities

The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for low value assets. The expenses relating to payments not included in the measurement of the lease liability for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Baht)	Consolidated and Separate F/S	
	2022	2021
Leases of low value assets	36,000	72,000

16. INTANGIBLE ASSETS

(Unit : Baht)	Consolidated F/S				Separate F/S
	Computer		Customer		Computer
	Software	Trademarks	Relationships	Total	Software
Cost					
1 January 2020	8,836,453	141,952,011	450,841	151,239,305	8,606,303
Acquisitions	528,656	-	-	528,656	528,656
Written-off	(556,977)	-	-	(556,977)	(556,977)
Exchange differences from financial statements translation	-	11,044,869	35,079	11,079,948	-
31 December 2021	8,808,132	152,996,880	485,920	162,290,932	8,577,982
Acquisitions	440,103	-	-	440,103	420,603
Transfer from property, plant and equipment	28,500	-	-	28,500	28,500
Exchange differences from financial statements translation	-	(3,509,808)	(11,147)	(3,520,955)	-
31 December 2022	9,276,735	149,487,072	474,773	159,238,580	9,027,085
Accumulated amortisation					
1 January 2021	7,908,255	12,518,035	150,280	20,576,570	7,741,007
Amortisation for the year	258,960	4,145,001	57,466	4,461,427	252,444
Accumulated amortisation for disposals	(556,962)	-	-	(556,962)	(556,962)
Exchange differences from financial statements translation	-	599,162	14,967	614,129	-
31 December 2021	7,610,253	17,262,198	222,713	25,095,164	7,436,489
Amortisation for the year	284,302	4,355,366	60,382	4,700,050	276,686
Exchange differences from financial statements translation	-	599,485	(50,656)	548,829	-
31 December 2022	7,894,555	22,217,049	232,439	30,344,043	7,713,175
Accumulated impairment of asset					
1 January 2021	-	19,681,457	-	19,681,457	-
Exchange differences from financial statements translation	-	2,142,370	-	2,142,370	-
31 December 2021	-	21,823,827	-	21,823,827	-

(Unit : Baht)

	Consolidated F/S				Separate F/S
	Computer Software	Trademarks	Customer Relationships	Total	Computer Software
Exchange differences from financial statements translation	-	(500,647)	-	(500,647)	-
31 December 2022	-	21,323,180	-	21,323,180	-
Net book value					
31 December 2021	1,197,879	113,910,855	263,207	115,371,941	1,141,493
31 December 2022	1,382,180	105,946,843	242,334	107,571,357	1,313,910
Amortisation for the year 2021					
Administrative expenses				4,461,427	252,444
Amortisation for the year 2022					
Administrative expenses				4,700,050	276,686

As at 31 December 2022 and 2021, the Company reviewed the valuation of trademark of subsidiary companies which derived from the business combination. As result of the recoverable amount higher than the carrying amount. Therefore, the Company does not recognise an additional adjustment for the allowance for impairment of those trademark. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

The follow are principal assumptions for valuation of trademark

	Consolidated F/S	
	2022	2021
Growth rate (%)	2	5
Discount rate (%)	10	7.58 - 12.26

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant key assumptions, holding other assumptions constant, would have affected the recoverable amount from the business operation by the amounts shown below:

(Unit: Thousand Baht)	Consolidated F/S	
	Increase 1%	Decrease 1%
Discount rate	(2,108)	2,577

17. BANK OVERDRAFT AND SHORT-TERM LOANS FROM BANK

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Bank overdraft	63,172	33	63,172	33
Short-term loan	9,437,400	9,424,758	-	-
Promissory note	90,000,000	95,000,000	90,000,000	95,000,000
Liabilities under trust receipts	12,137,274	26,101,683	12,137,274	26,101,683
Total	111,637,846	130,526,474	102,200,446	121,101,716

As at 31 December 2022 and 2021, the Company and domestic subsidiary has short-term loans credit facilities comprise of bank overdraft, promissory note and liabilities under trust receipts bear interest rates at market rate and collateralised by the mortgages of the Company's land and construction as mentioned in Note 14 and personal guaranteed by certain subsidiary company's directors.

As at 31 December 2022 and 2021, the overseas subsidiary company has short-term loans from bank bear interest rate at market rate and secured by pledge of freehold industrial land with construction thereon of the subsidiary company and guaranteed by the Company.

18. EMPLOYEE BENEFITS OBLIGATION

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Statement of financial position				
Provision for post-employment benefits				
obligation	12,210,486	11,006,510	10,270,993	9,284,196
Statement of comprehensive income				
<i>Recognised in profit or loss:</i>				
Post-employment benefits	1,203,976	1,167,507	986,797	990,697
<i>Recognised in other comprehensive income:</i>				
Actuarial losses recognised				
during the year	-	379,853	-	189,792

The Group had established a defined benefit pension plan under the Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movements in the present value of the defined benefit obligations for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Beginning balance as at 1 January	11,006,510	9,459,150	9,284,196	8,103,707
<i>Recognised in profit or loss</i>				
- Current service costs	985,463	858,776	804,451	726,699
- Finance cost	218,513	308,731	182,346	263,998
<i>Recognised in other comprehensive income</i>				
- Actuarial loss	-	379,853	-	189,792
Balance as at 31 December	12,210,486	11,006,510	10,270,993	9,284,196

Actuarial loss recognised in other comprehensive income arising from:

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Change in financial assumptions	-	(58,849)	-	1,141,174
Change in demographic assumptions	-	(911,141)	-	(695,479)
Experience adjustments	-	1,349,843	-	(255,903)
Total	-	379,853	-	189,792

Actuarial assumptions

The following are principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Discount rate				
(percent per annum)	2.10	2.10	2.10	2.10
Future salary average				
increment rate				
(percent per annum)	3.00	3.00	3.00	3.00
Normal retirement age				
(years)	60	60	60	60
Mortality rate	Thai Mortality	Thai Mortality	Thai Mortality	Thai Mortality
	Table 2017	Table 2017	Table 2017	Table 2017

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation by the amounts shown below:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
Employee benefit obligation				
Discount rate				
Increment (decrement) of employee benefit obligation	(1,204,633)	1,416,777	(1,006,224)	1,189,080
Future salary growth				
Increment (decrement) of employee benefit obligation	1,388,727	(1,205,715)	1,165,482	(1,007,124)

(Unit : Baht)	Consolidated F/S		Separate F/S	
	Increase	Decrease	Increase 10%	Decrease
	10%	10%		10%
Employee benefit obligation				
Turnover rate				
Increment (decrement) of employee benefit obligation	(653,326)	738,682	(568,461)	645,992

As at 31 December 2022, expected maturity of employee benefits obligation before discounting are as follow:

(Unit : Baht)	Consolidated F/S	Separate F/S
Within one year	145,998	145,998
Between 2 - 9 years	5,360,439	4,437,118
	5,506,437	4,583,116

19. INCOME TAX AND DEFERRED TAX

Applicable tax rates for the Group are as follows:

	Tax rate (%)	
	2022	2021
Income tax under the Revenue Code of the Company and subsidiaries in Thailand	20	20
Corporate income tax in foreign country	24	24

19.1 Deferred tax

Deferred tax assets and liabilities are as follows:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Deferred tax assets	514,619	460,155	-	-
Deferred tax liabilities	(32,664,326)	(39,935,673)	(5,210,990)	(7,739,032)
Net	(32,149,707)	(39,475,518)	(5,210,990)	(7,739,032)

Deferred tax assets and liabilities are as follows:

(Unit : Baht)	Consolidated F/S				
	Recognised in			Exchange	
				differences	
			Other	from financial	
	1 January		comprehensive	statements	31 December
	2022	Profit or loss	income	translation	2022
Deferred tax assets :					
From allowance for expected credit losses from					
accounts receivable	572,370	(264,404)	-	-	307,967
From allowance for obsolete and declining value of inventories	244,085	134,183	-	-	378,268
From employee benefits obligation	2,239,314	240,795	-	-	2,480,109
Deferred tax liabilities :					
From differences from depreciation	(8,995,283)	5,792,580	-	(44,052)	(3,246,755)
From intangible assets	(28,079,831)	1,059,779	-	-	(27,020,052)
From revaluation of asset	(4,952,806)	-	-	113,618	(4,839,188)
From lease liabilities	(503,367)	293,311	-	-	(210,056)
	(39,475,518)	7,256,244	-	69,566	(32,149,707)

(Unit : Baht)

Consolidated F/S

	Recognised in			Exchange	31 December
	1 January	Profit or loss	Other comprehensive income	differences from financial statements translation	
	2021				2021
Deferred tax assets :					
From allowance for expected credit losses from					
accounts receivable	1,376,583	(804,213)	-	-	572,370
From allowance for					
obsolete and declining value of inventories	234,303	9,782	-	-	244,085
From employee benefits					
obligation	1,891,831	271,513	75,970	-	2,239,314
Deferred tax liabilities :					
From differences from					
depreciation	(7,008,176)	(5,253,657)	-	3,266,550	(8,995,283)
From intangible assets	(27,225,977)	7,503,598	-	(8,357,452)	(28,079,831)
From revaluation of asset	(7,844,664)	(3,502,227)	-	6,394,085	(4,952,806)
From lease liabilities	(6,898,925)	6,395,558	-	-	(503,367)
	(45,475,025)	4,620,354	75,970	1,303,183	(39,475,518)

(Unit : Baht)

Separate F/S

	Recognised in			31
	1 January	Profit or loss	Other comprehensive income	December
	2022			2022
Deferred tax assets :				
From allowance for expected credit losses				
from accounts receivable	572,370	(264,403)	-	307,967
From allowance for obsolete and declining				
value of inventories	111,221	123,155	-	234,376
From employee benefits obligation	1,856,839	197,359	-	2,054,198

Deferred tax liabilities :

From differences from depreciation	(9,776,095)	2,178,620	-	(7,597,475)
From lease liabilities	(503,367)	293,311	-	(210,056)
	<u>(7,739,032)</u>	<u>2,528,042</u>	<u>-</u>	<u>(5,210,990)</u>

(Unit : Baht)

Separate F/S

	Recognised in		31 December 2021
	Profit or loss	Other comprehensive income	
1 January 2021			

Deferred tax assets :

From allowance for expected credit losses from accounts receivable	1,376,583	(804,213)	-	572,370
From impairment loss from investment in subsidiary	229,550	(229,550)	-	-
From allowance for obsolete and declining value of inventories	100,767	10,454	-	111,221
From employee benefits obligation	1,620,742	198,139	37,958	1,856,839

Deferred tax liabilities :

From differences from depreciation	(5,212,485)	(4,563,610)	-	(9,776,095)
From lease liabilities	(6,898,925)	6,395,558	-	(503,367)
	<u>(8,783,768)</u>	<u>1,006,778</u>	<u>37,958</u>	<u>(7,739,032)</u>

As at 31 December 2022, in the consolidated financial statements have not recognised deferred tax assets from loss carrying forward not over than 10 years of indirect subsidiary company in overseas because the management has not yet prepared forecast taxable project for utilise the taxable loss. The expiry of the unabsorbed business losses is as follows:

	Consolidated F/S	
	MYR	Baht
Expiry in year 2028	675,735	5,291,275
Expiry in year 2029	495,694	3,881,482
Expiry in year 2030	889,161	6,962,486
Expiry in year 2031	488,443	3,824,704
Total	2,549,033	19,959,947

As at 31 December 2022, the Company has utilised taxable losses which had not been included in the calculation of deferred tax assets to be recognised in the statement of financial position amounting to Baht 2,807,561 because the management has not yet prepared forecast taxable project for utilise the taxable loss.

19.2 Income tax

Income tax recognised in profit or loss:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Current tax expense				
Current tax income	2,430,349	9,611,679	-	4,652,902
Deferred tax				
Movements in temporary differences	(7,256,244)	(4,620,354)	(2,528,042)	(1,006,778)
Total income tax expenses (benefit)	(4,825,895)	4,991,325	(2,528,042)	3,646,124

Income tax recognised in other comprehensive income:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Actuarial loss on employee benefit obligations	-	75,970	-	37,958

Reconciliation of income tax are as follows:

(Unit : Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Accounting profit (loss) before tax	(29,543,743)	46,895,397	(14,568,250)	28,740,701
Tax multiplied by applicable tax rate	(5,482,524)	9,379,079	(2,913,650)	5,748,140
Effects :				
Non-deductible expenses	7,888,056	2,623,409	2,564,812	354,508
Different in tax of overseas subsidiaries	1,059,780	827,909	-	-
Exemption of income and additional expenses	(5,786,483)	(7,839,072)	(3,247,954)	(2,456,524)
Adjust prior year tax expenses	(3,471,188)	-	474,641	-
Loss carried forward has not recorded as deferred income tax	966,464	-	594,109	-
Income tax expenses (benefit)	(4,825,895)	4,991,325	(2,528,042)	3,646,124
Effective tax rate (%)	16.33	10.64	17.35	12.69

20. SHARE CAPITAL

At the 2022 Annual General Meeting of shareholder, held on 29 March 2022, the Shareholders passed resolutions to approve as follow:

- The increase of registered share capital of the Company by Baht 86,722,878, from the existing registered share capital of Baht 346,891,514 to the new registered share capital of Baht 433,614,392, by issuing 86,722,878 newly ordinary shares with a par value of Baht 1 per share. The Company allots new shares to support exercisable warrants, equivalents to 25% of total shares issued.

The Company has registered the increase of registered share capital by amending clause of the Company's memorandum of association to be consistent with the increase of registered share capital with the Department of Business Development, Ministry of Commerce on 8 April 2022.

- Issuing 86,722,878 units of the warrants to the existing shareholders, at an offering ratio of 4 ordinary shares to 1 unit of warrant. The warrants are issued for specific holders and transferable. The terms of the warrants do not exceed 2 years from the date of which they are granted with right of 1 warrant to 1 ordinary share. The exercise price is Baht 3.50 per share, unless the exercise ratio is adjusted under the conditions of the rights adjustment. The warrant holders can exercise their warrants in June and December of each year. The first exercise date will be on 1 December 2022 and the last exercise date is within 2 years from the date of issuance of the warrants.

As at 31 December 2022, the warrants are excluded from the computation of diluted earnings per share as the exercised price is higher than the fair value of the ordinary shares.

At the 2021 Annual General Meeting of shareholders, held on 31 March 2021, the shareholders passed the resolutions to approve the following:

- To decrease of the Company's registered share capital from Baht 387,470,188 to Baht 315,391,514 by cancelling 72,078,674 shares at Baht 1 par value which are the remaining ordinary share which reserved for the exercise of warrants NDR-W1. The Company registered the decrease of share capital with Department of Business Development under the Ministry of Commerce on 16 April 2021.

- To increase of the Company's registered share capital that offering to specified persons (Private placement) by issuing new share capital of the Company from Baht 315,391,514 to Baht 346,891,514 by issuing not exceed 31,500,000 new common shares at Baht 1 par value. The Company registered the increase of share capital with Department of Business Development under the Ministry of Commerce on 19 April 2021.

At the Board of Directors' Meeting No.2/2021 held on 11 May 2021, passed a resolution to allocate the Company's increment 22,132,300 authorised share capital at offering price of Baht 2.72 per share (Baht 1.00 par value) which was weighted-average market price of the Company's share for 15 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot and offer the newly issued common share totalling Baht 60,200,000 with premium on common share capital at Baht 1.72 per share, totalling Baht 38,067,700 to private placement, Etran (Thailand) Co., Ltd, for making the repayment on investment in such company as described in Note 12. As a result, paid-up authorised share capital were increased from Baht 315,391,514 to Baht 337,523,814. The Company registered the share capital increment with the Department of Business Development under the Ministry of Commerce on 19 May 2021.

At the Board of Directors' Meeting No.4/2021 held on 29 October 2021, the Board of Directors passed resolutions to approve to allocate newly issued ordinary share of the Company as Private Placement amount 9,367,700 authorised share capital at offering price of Baht 2.80 per share (Baht 1.00 par value) which was weighted-average market price of the Company's share for 7 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot and offer the newly issued common share totalling Baht 26,229,560 with premium on common share capital at Baht 1.80 per share, totalling Baht 16,861,860 for making the repayment on investment in such company as described in Note 12. As a result, paid-up authorised share capital was increased from Baht 337,523,814 to Baht 346,891,514. The Company registered the share capital increment with the Department of Business Development under the Ministry of Commerce on 9 November 2021.

21. LEGAL RESERVE

Under the Public Limited Company Act. B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit for the year net of deficit (if any), until the reserve reaches 10 percent of the registered capital. This reserve shall not be distributable for dividends.

22. DIVIDEND PAYMENT

At the 2022 Annual General Meeting of shareholders, held on 29 March 2022, the shareholders passed the resolution to pay dividend from profit for the year ended 31 December 2021 at Baht 0.03 per share, totalling Baht 10.41 million. The dividend was paid on 29 April 2022.

At the 2021 Annual General Meeting of shareholders, held on 31 March 2021, the shareholders passed the resolution to pay dividend from profit for the year ended 31 December 2020 for 315,391,514 common shares capital at Baht 0.05 per share, totalling of Baht 15.77 million. The dividend was paid on 30 April 2021.

23. REVENUE

<u>Transaction</u>	<u>Description</u>
Type of good	The main product of the Company and subsidiaries consists of tires and tube for motorcycle, battery, rubber part, shoes and lube oil.
Geographic	The Company has revenue from sale domestic and overseas.
The market or type of customers	Retail customers.
Type of contract	The price has been fixed in each invoice.
Contract period	Short-term contract.
No of performance obligations	The Company has one obligation which produce and sell base on purchase order of each customer.
Revenue recognition	Revenue from sales of goods recognised as at point in time.
Sale channels	Goods are directly distributed to customer.

24. EXPENSES BY NATURE

(Unit : Baht)	Consolidated F/S		Separate F/S	
	For the years ended 31 December			
	2022	2021	2022	2021
Raw materials and consumable supplies				
used	589,492,947	203,761,528	461,034,291	398,318,528
Changes in finished goods and work in				
process	(16,466,209)	289,784,450	(8,389,398)	(11,115,272)
Salaries, wages and other employee benefits	143,213,184	153,066,050	98,482,676	105,650,682
Impairment loss on investment in associated				
company		-	12,000,000	-
Utilities	36,148,411	33,705,872	30,073,920	28,455,785
Depreciation and amortisation	48,066,018	45,165,020	36,499,583	35,612,535
Transportation	4,591,532	19,645,133	3,174,743	2,594,227
Advertising	2,783,804	4,910,925	902,887	1,266,187
Repair and maintenance	7,714,652	11,162,856	6,863,829	9,321,009
Factory expense	7,322,492	5,622,422	3,515,770	3,315,785
Other	37,755,651	33,821,407	18,301,064	13,151,303

25. PROVIDENT FUND

On June 2013, the Company and subsidiary in Thailand participated to be member in “Sin Sathaporn Fund Provident Fund”, which manages by BBL Asset Management Company Limited under the provisions of The Provident Fund Act. B.E.2530. Under the fund regulation, the fund is contributed equally by both the Company and the employees at 2% of their salaries and will be paid to the employees upon termination in accordance with the rules of fund, upon retirement, death or resignation from the member.

For the year ended 31 December 2022, the Company and subsidiary company in Thailand have paid for the contribution into the fund amounting to Baht 0.23 million and Baht 0.03 million, respectively, and for the year ended 31 December 2021, the Company and subsidiary companies have paid for the contribution into the fund amounting to Baht 0.20 million and Baht 0.03 million, respectively.

During the year ended 31 December 2022, the Company and subsidiary company in Thailand received the refund from the Company's contribution amounting to Baht 0.06 million and Baht 0.01 million, respectively of resigned employee who had working experienced less than 5 years.

26. SEGMENT REPORTING

The financial information classified by products for the years ended 31 December 2022 and 2021 are presented as follow :

(Unit : Thousand Baht)

Consolidated F/S

	For the year ended 31 December 2022									
	Tires		Tubes		Battery	Rubber part	Shoe	Lube Oil & synthetic	Others	Eliminated
	Domestic	Overseas	Domestic	Overseas	Domestic	Domestic	Overseas	Overseas		
Revenue from sales										
At point in time	213,391	500,853	64,092	117,224	42,400	73,023	46,747	8,234	115	(226,772)
Cost of sales										(730,013)
Gross profit										109,294
Interest expenses										4,247
Depreciation and amortization										48,066
Profit before income tax										29,544
Trade accounts receivable - general customers										99,495
Property, plant and equipment										526,769
Other assets										481,933
Total assets										1,108,197

(Unit : Thousand Baht)

Consolidated F/S

	For the year ended 31 December 2021										
	Tires		Tubes		Battery	Rubber part	Shoe	Lube Oil & synthetic			
	Domestic	Overseas	Domestic	Overseas	Domestic	Domestic	Overseas	Overseas	Others	Eliminated	Total
Revenue from sales											
At point in time	193,134	528,102	68,699	131,305	38,438	60,080	34,390	4,675	1,871	(219,295)	841,399
Cost of sales											(685,545)
Gross profit											155,854
Interest expenses											4,263
Depreciation and amortization											45,165
Profit before income tax											46,895
Trade accounts receivable - general customers											115,883
Property, plant and equipment											564,777
Other assets											545,585
Total assets											1,226,245
Total liabilities											317,389
Total liabilities											258,913

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources and assess its operations.

Major Customer

For the year ended 31 December 2022, the Company's revenue from sales of products from one major overseas customer amount of Baht 220.99 million (2021 : Baht 216.89 million).

27. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share for the years ended 31 December 2022 and 2021 are determined by dividing the profit (loss) attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the years, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital of 22.13 million shares on 19 May 2021 and the number of shares 9.37 million shares on 9 November 2021 as follows:

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Profit (loss) attributable to equity holders of the Company (Baht)	(24,371,739)	41,633,506	(12,040,208)	25,094,577
Number of ordinary shares issued and paid up at beginning (shares)	346,891,514	315,391,514	346,891,514	315,391,514
Effect from issuance of new share (weighted average) (shares)	-	15,124,713	-	15,124,713
Weighted average number of on the ordinary shares outstanding (basic) (shares)	346,891,514	330,516,227	346,891,514	330,516,227
Basic earnings (loss) per share (Baht)	(0.0703)	0.1260	(0.0347)	0.0759

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows;

(Unit : Baht)	Consolidated F/S			
	Bank overdraft and			
	short-term loans	Long-term loans		
	from banks	from banks	Lease liabilities	Total
1 January 2021	128,005,548	4,300,000	15,741,048	148,046,596
Cash-flows:				
Repayment	(332,556,010)	(4,300,000)	(13,902,089)	(350,758,099)
Proceeds	333,643,153	-	-	333,643,153
Non-cash:				
Unrealised loss from exchange rate	312,917	-	-	312,917
Translation adjustment	1,120,866	-	-	1,120,866
31 December 2021	130,526,474	-	1,838,959	132,365,433
Cash-flows:				
Repayment	(18,077,115)	-	(685,779)	(18,762,894)
Non-cash:				
Unrealised gain from exchange rate	(811,513)	-	-	(811,513)
31 December 2022	111,637,846	-	1,153,180	112,791,026

(Unit : Baht)

Separate F/S

	Bank overdraft and			
	short-term loans	Long-term loans		
	from banks	from banks	Lease liabilities	Total
1 January 2021	107,802,751	4,300,000	15,741,048	127,843,799
Cash-flows:				
Repayment	(320,657,105)	(4,300,000)	(13,902,089)	(338,859,194)
Proceeds	333,643,153	-	-	333,643,153
Non-cash:				
Unrealised loss from exchange rate	312,917	-	-	312,917
31 December 2021	121,101,716	-	1,838,959	122,940,675
Cash-flows:				
Repayment	(18,089,757)	-	(685,779)	(18,775,536)
Non-cash:				
Unrealised gain from exchange rate	(63,171)	-	-	(63,171)
31 December 2022	102,948,788	-	1,153,180	104,101,968

29. DISCLOSURE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade accounts receivable and payable, short-term loan and long-term loan. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Group within the normal terms of trade. To manage this risk, the Group periodically assess the financial viability of customers.

As at 31 December 2022 and 2021, the financial instrument classified by the periods of time from the date on the statements of financial position to their maturity dates are as follows:

(Unit : Baht)	Consolidated F/S			
	2022			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	96,748,617	15,660,800	-	112,409,417
Trade accounts receivable	100,386,155	-	-	100,386,155
Other accounts receivable	3,656,523	-	-	3,656,523
Bank overdraft and short-term loans				
from banks	9,500,572	102,137,274	-	111,637,846
Trade accounts payable	64,461,960	-	-	64,461,960
Payable for purchases of fixed assets	25,873	-	-	25,873
Lease liabilities	-	358,307	794,873	1,153,180

(Unit : Baht)	Consolidated F/S			
	2021			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	159,204,884	-	-	159,204,884
Trade accounts receivable	116,433,934	-	-	116,433,934
Other accounts receivable	5,243,972	-	-	5,243,972
Bank overdraft and short-term loans				
from banks	9,424,791	121,101,683	-	130,526,474
Trade accounts payable	88,496,854	-	-	88,496,854
Payable for purchases of fixed assets	222,153	-	-	222,153
Lease liabilities	-	685,779	1,153,180	1,838,959

(Unit : Baht)

Separate F/S

	2022			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	26,991,483	-	-	26,991,483
Trade accounts receivable	57,001,460	-	-	57,001,460
Other accounts receivable	152,100	-	-	152,100
Bank overdraft and short-term loans from banks	63,172	102,137,274	-	102,200,446
Trade accounts payable	59,958,670	-	-	59,958,670
Other accounts payable	99,286	-	-	99,286
Payable for purchases of fixed assets	25,873	-	-	25,873
Lease liabilities	-	358,307	794,873	1,153,180

(Unit : Baht)

Separate F/S

	2021			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	42,603,127	-	-	42,603,127
Trade accounts receivable	64,107,695	-	-	64,107,695
Bank overdraft and short-term loans from banks	33	121,101,683	-	121,101,716
Trade accounts payable	82,108,859	-	-	82,108,859
Other accounts payable	86,299	-	-	86,299
Payable for purchases of fixed assets	222,153	-	-	222,153
Lease liabilities	-	685,779	1,153,180	1,838,959

Credit Risk

The Group provide credit term on its trade transactions. The Group manage its exposure to credit risk by closely monitoring collection of accounts receivable and focuses on overdue accounts.

The Group measurement by expected credit loss that occur over the life for all the receivables. It is no longer necessary for a credit event to occur before credit losses are recognises.

Interest Rate Risk

Interest rate risk arises is that future movement of market interest rates, which may have a negative effect to current and future operations of the Group. Management believes that the interest rate risk is minimum, hence, the Group has no hedging agreement to protect against such risk.

(Unit : Baht)	Consolidated F/S				
	2022				
	Floated rate	Fixed rate	No interest	Total	Interest rate (% per annum)
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	50,770,000	39,152,000	22,487,417	112,409,417	0.00% - 1.6%
Trade accounts receivable	-	-	100,386,155	100,386,155	-
Other accounts receivable	-	-	3,656,523	3,656,523	-
Bank overdraft and short-term loans					
from banks	9,500,572	102,137,274	-	111,637,846	2.12% - 3.6%
Trade accounts payable	-	-	64,461,960	64,461,960	-
Other accounts payable	-	-	2,418	2,418	-
Payable for purchases of fixed assets	-	-	25,873	25,873	-
Lease liabilities	-	1,153,180	-	1,153,180	6.89%

(Unit : Baht)	Consolidated F/S				
	2021				
	Floated rate	Fixed rate	No interest	Total	Interest rate (% per annum)
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	62,785,646	-	96,419,238	159,204,884	0.2% - 0.85%
Trade accounts receivable	-	-	116,433,934	116,433,934	-
Other accounts receivable	-	-	5,243,972	5,243,972	-
Bank overdraft and short-term loans					
from banks	9,424,791	121,101,683	-	130,526,474	2.12% - 3.50%
Trade accounts payable	-	-	88,496,854	88,496,854	-
Payable for purchases of fixed assets	-	-	222,153	222,153	-
		1,838,959			6.89% -
Lease liabilities	-		-	1,838,959	14.39%

(Unit : Baht)

Separate F/S

	2022				
					Interest rate
	Floated rate	Fixed rate	No interest	Total	(% per annum)
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	7,425,536	-	19,565,947	26,991,483	0.10% - 0.45%
Trade accounts receivable	-	-	57,001,460	57,001,460	-
Other accounts receivable	-	-	152,100	152,100	-
Bank overdraft and short-term loans from					
banks	63,172	102,137,274	-	102,200,446	3.40%
Trade accounts payable	-	-	59,958,670	59,958,670	-
Other accounts payable	-	-	99,286	99,286	-
Payable for purchases of fixed assets	-	-	25,873	25,873	-
Lease liabilities	-	1,153,180	-	1,153,180	6.89%

(Unit : Baht)

Separate F/S

	2021				
					Interest rate
	Floated rate	Fixed rate	No interest	Total	(% per annum)
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	26,721,521	-	15,881,606	42,603,127	0.05% - 0.13%
Trade accounts receivable	-	-	64,107,695	64,107,695	-
Bank overdraft and short-term loans from					
banks		121,101,683	-	121,101,716	3.35% - 3.40%
Trade accounts payable	-	-	82,108,859	82,108,859	-
Other accounts payable	-	-	86,299	86,299	-
Payable for purchases of fixed assets	-	-	222,153	222,153	-
Lease liabilities	-	1,838,959	-	1,838,959	6.89% - 14.39%

Foreign Currency Risk

The Company exposure for foreign currency risk relates primarily to its trade accounts receivable and payable which are denominated in foreign currencies. The Company entered into the forward exchange contracts for accounts receivable to reduce exposure on foreign currency risk. However, the Company did not exercise such forward exchanges contracts during the year.

As at 31 December 2022, the Group has financial assets and liabilities in foreign currencies as follow :

Consolidated F/S			
31 December 2022			
	Foreign Currencies (in Thousand unit)	Exchange rate	Baht Equivalent (in Thousand Baht)
Cash and Cash at bank			
USD	140	34.3913	4,819
MYR	10,341	7.7213	80,979
Trade accounts receivable			
USD	36	34.3913	283
MYR	7,682	7.7213	60,157
Liabilities under trust receipt			
USD	349	34.7334	12,137
Trade accounts payable			
USD	302	34.7334	10,520

Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments.

- Financial assets are shown at estimated fair value.
- Financial liabilities are shown at the book value which is considered fair value because such liabilities will be matured in short term.

30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

31. COMMITMENTS

As at 31 December 2022

31.1 The Group has used credit facilities from financial institution as follows :

(Unit : Baht)

Consolidated F/S

	Credit line	Used	Balance
Credit facilities			
Bank overdraft	35,000,000	(63,172)	34,936,828
Short-term loan and promissory note	217,092,625	(99,437,400)	117,655,225
Forward agreements	120,000,000	-	120,000,000
Letter of guarantee	16,000,000	(5,963,600)	10,036,400
Letter of credit and trust receipts (occasionally)	90,000,000	(12,137,274)	77,862,726
Hire-purchase	51,943,652	(1,153,180)	50,790,472

(Unit : Baht)

Separate F/S

	Credit line	Used	Balance
Credit facilities			
Bank overdraft	35,000,000	(63,172)	34,936,828
Promissory note	165,000,000	(90,000,000)	75,000,000
Forward agreements	120,000,000	-	120,000,000
Letter of guarantee	16,000,000	(5,485,000)	10,515,000
Letter of credit and trust receipts (occasionally)	90,000,000	(12,137,274)	77,862,726
Hire-purchase	1,682,242	(1,196,040)	486,202

The letter of guarantees issued by bank are for electricity usage and purchasing raw material.

31.2 The subsidiary company has entered into service agreement which has committed to pay the service for one year of Baht 1.80 million.

31.3 The subsidiary company has entered into a purchase agreement of a solar power generation system including with installation and related services, which committed to pay of Baht 37.75 million.

32. CAPITAL RISK MANAGEMENT

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust policy for distribution dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

33. RECLASSIFICATION

Certain corresponding figures for the year ended 31 December 2021 have been reclassified to conform to the current year's classifications. The reclassification had no effect to previously reported profit or shareholder's equity. The followings are details of reclassifications.

(Unit : Baht)

	Consolidated F/S		
	Formerly Presented	Reclassification	Reclassified
Statement of financial position			
Current liabilities			
Current portion :			
- Employee benefits obligation	601,400	(601,400)	-
Non-current liabilities			
Employee benefits obligation	10,405,110	601,400	11,006,510

(Unit : Baht)

Separate F/S

	Separate F/S		
	Formerly Presented	Reclassification	Reclassified
Statement of financial position			
Current liabilities			
Current portion :			
- Employee benefits obligation	601,400	(601,400)	-
Non-current liabilities			
Employee benefits obligation	8,682,796	601,400	9,284,196

34. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors' Meeting No.1/2023 held on 23 February 2023, the Board of Directors passed the resolution for proposing to the Shareholders' Meeting to approve the dividend payment from profits for the year ended 31 December 2015 for 346,891,514 ordinary shares capital at Baht 0.02 per share, totalling of Baht 6.94 million.



PART 4

CERTIFICATION OF INFORMATION AND DATA ACCURACY

Certification of Information and Data Accuracy

Report on the Board of Directors' Responsibilities for Financial Statement

The Board of Directors of N.D. Rubber Public Company Limited is responsible for the financial statements of the Company and its subsidiaries, which have been prepared in accordance with financial reporting standards under the Accounting Act B.E. 2543, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 and its amendments. The Board considers the accounting policies pursued to be appropriate, and that they have been applied consistently with adequate disclosure of important information in the notes to the financial statements. The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion with an emphasis of matters/others in the auditor's report.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities and other risks. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, internal control system and internal audit. The Audit Committee's views are reported in Attachment 6.

The Board is confident that the internal control system and the internal audit of the Company provide credibility and reliability that the separate financial statements and consolidated financial statements of N.D. Rubber Public Company Limited and its subsidiaries for the year ended 31 December 2022 represent the financial position, results of operations, and each flows that give a true and fair view in accordance with Thai Financial Reporting Standards.



Mr. Pongsak Sawadwan
Chairman



Mr. Chaiyasit Samrittivanicha
Executive Chairman / Managing Director



ATTACHMENT 1

INFORMATION OF THE BOARD OF DIRECTORS, MANAGEMENT, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Mr. Pongsak Swadwan

Age 71 Years Old

Position Chairman

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Bachelor Degree, Engineering in Mechanical, King Mongkut's University of Technology North Bangkok

Expertise

- Business and industry relating to NDR

Director Training / Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Experiences (In 5 years):

- 2014 – Present: Chairman N.D. Rubber Public Company Limited
- 1996 – Present: Manager White House Plastic Limited Partnership

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Manager White House Plastic Limited Partnership

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- Mrs. Nittaya Samrittivanicha's brother-in-law
- Mr. Chaiyasit Samrittivanicha's uncle-in-law

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%



Dr. Sirada Jarutakanont

Age 44 Years Old

Position Chairman of the Audit Committee /

Chairman of the Nomination and Remuneration Committee / Independent Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Doctor of Business Administration , Faculty of Commerce and Accountancy, Thammasat University (The Joint Doctoral Program in Business Administration (JDBA) Chulalongkorn University, Thammasat University and The National Institute of Development Administration (NIDA)
- Master of Accounting, Faculty of Finance and Accountancy, Thammasat University
- Bachelor of Business Administration (1st class honor) Faculty of Humanities and Social Sciences, Burapha University.

Expertise

- Accounting and Finance

Director Training/Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)
- A discussion on accounting knowledge for Audit Committee members on the topic of "Easy Listening: Accounting Tips that AC should not miss"

Experiences (In 5 years)

- 2022 – Present: Vice Dean - Faculty of Business Administration, Burapha University
- 2016 - Present: Lecturer, Accounting and Finance Program, Faculty of Business Administration, Burapha University
- 2016 - Present: Partner - Siam Truth Audit Co., Ltd.

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Partner : Siam Truth Audit Co., Ltd.
- Independent / Member of Audit Committee / Chairman of the Risk Management Committee : Gunkul Power Development Co., Ltd.

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)



Relationship with Company's Executive(s)

- N/A

Meeting Attendance of Board Meeting/Sub-Committee

- | | | | |
|--|-----|----------|------|
| - The Annual General Meeting of Shareholders | 1/1 | Equal to | 100% |
| - Board of Directors Meeting | 4/4 | Equal to | 100% |
| - The Audit Committee | 4/4 | Equal to | 100% |
| - The Nomination and Remuneration Committee | 1/1 | Equal to | 100% |

Mr. Teerasak Sawangnet

Age 49 Years Old

Position Member of the Audit Committee /

Member of the Nomination and Remuneration Committee /

Independent Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Bachelor Degree in Finance and Banking, Assumption University
- Master of Business Administration, Assumption University

Expertise

- Accounting and Finance

Director Training/Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)
- A discussion on accounting knowledge for Audit Committee members on the topic of "Easy Listening: Accounting Tips that AC should not miss"

Experiences (In 5 years)

- 2014 – Present: Independent Director N.D. Rubber Public Company Limited
- 1995 – Present: Managing Director Winner Petroleum Co., Ltd.

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Present: Managing Director Winner Petroleum Co., Ltd.

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- N/A

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%
- The Audit Committee 4/4 Equal to 100%
- The Nomination and Remuneration Committee 1/1 Equal to 100%



Mr. Kovit Kristhanin

Age 48 Years Old

Position Member of the Audit Committee / Independent Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Bachelor Degree in Business Management, Bangkok University

Expertise

- Business and industry relating to NDR

Director Training/Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)
- A discussion on accounting knowledge for Audit Committee members on the topic of "Easy Listening: Accounting Tips that AC should not miss"

Experiences (In 5 years)

- 2014 – Present: Independent Director N.D. Rubber Public Company Limited
- 2001 – Present: Director Winner Insurance Broker Co., Ltd.

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Director Winner Insurance Broker Co., Ltd.

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- N/A

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%
- The Audit Committee 4/4 Equal to 100%



Mr. Marco Low Peng Kiat

Age 50 Years Old

Position Director

Appointment Date

- 2 February 2018

No. of Years being the Company's Director

- 5 Years

Education

- Bachelor of Science in Management & Systems, City University, England

Expertise

- Business and industry relating to NDR and real estate

Director Training / Seminar

- N/A

Experiences (In 5 years)

- 2014 – Present: Director N.D. Rubber Public Company Limited
- 2010 – Present: Director Consistent Record Sdn. Bhd., Malaysia

Position in Other Listed Company

- Managing Director Low Keng Huat (Singapore) Limited, Singapore

Position in Non-Listed Company

- Director Consistent Record Sdn. Bhd., Malaysia

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive (s)

- N/A

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 0/1 Equal to 0%
- Board of Directors Meeting 4/4 Equal to 100%



Mrs. Nittaya Samrittivanicha

Age 74 Years Old

Position Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Secondary

Expertise

- Business and industry relating to NDR

Director Training / Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Experiences (In 5 years)

- 2014 – Present: Director N.D. Rubber Public Company limited
- 2013 – Present: Director Kaset Sumrit Co., Ltd.
- 2004 – Present: Director N.D. Interparts Co., Ltd.
- 1995 – Present: Director Siam Plastwood Co., Ltd.
- 1992 - Present: Director T. Thai Charoen Rubber Co., Ltd.
- 1973 – Present: Director Thai Charoen Rubber Service Co., Ltd.

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Director Kaset Sumrit Co., Ltd.
- Director N.D. Interparts Co., Ltd.
- Director Siam Plaswood Co., Ltd.
- Director T. Thai Charoen Rubber Co., Ltd.
- Director Thai Charoen Rubber Service Co., Ltd.

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally 21.65%
- Held by spouse or minor children (None)



Relationship with Company's Executive (s)

- Mr. Chaiyasit Samrittivanicha's mother
- Mr. Pongsak Swadwan's sister-in-law
- Mrs. Thunyarat Samrittivanicha's mother-in-law

Meeting Attendance of Board Meeting/Sub-Committee

- | | | |
|--|-----|---------------|
| - The Annual General Meeting of Shareholders | 1/1 | Equal to 100% |
| - Board of Directors Meeting | 4/4 | Equal to 100% |

Mr. Chaiyasit Samrittivanicha

Age 49 Years Old

Position Chairman of the Executive Committee / Director /

Member of the Nomination and Remuneration Committee / Managing Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Bachelor of Business Administration Program in Finance and Banking, Assumption University

Expertise

- Business and industry relating to NDR and Accounting and Finance

Director Training / Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Experiences (In 5 years)

- 2021 – Present: Director ETRAN (Thailand) Co., Ltd.
- 2018 – Present: Director Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.
- 2018 – Present: Director FKR Marketing Sdn. Bhd.
- 2018 – Present: Director GCB Trading Sdn. Bhd.
- 2014 – Present: Director N.D. Rubber Public Company Limited
- 2004 – Present: Director N.D. Interparts Co., Ltd.
- 1992 – Present: Director N.D. Tower Co., Ltd.
- 1992 – Present: Director T. Thai Charoen Rubber Co., Ltd.
- 1973 – Present: Director Thai Charoen Rubber Service Co., Ltd.

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Director ETRAN (Thailand) Co., Ltd.
- Director Fung Keong Rubber Manufactory (Malaya) Sdn. Berhad
- Director FKR Marketing Sdn. Bhd.
- Director GCB Trading Sdn. Bhd.
- Director N.D. Interparts Co., Ltd.
- Director N.D. Tower Co., Ltd.
- Director T. Thai Charoen Rubber Co., Ltd.
- Director Thai Charoen Tire Service Co., Ltd.



Position in other companies that may cause conflicts of interest with the Company

- N/A

Other Position

- Chairman Rubber Based Industry Club, The Federation of Thai Industries for the Year 2020-2024

Benefits of Community Participation

- Consultant SET Social Impact Gym 2022, The Stock Exchange of Thailand
- Vice President of Industry Rubber-Elastomer Technology Association
- Director Rubber Authority of Thailand

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally 21.17%
- Held by spouse or minor children 4.45%

Relationship with Company's Executive(s)

- Mrs. Nittaya Samrittivanicha's son
- Mrs. Thanyarat Samrittivanicha's husband
- Mr. Pongsak Swadwan's nephew

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%
- The Nomination and Remuneration Committee 1/1 Equal to 100%

Mrs. Thunyarat Samrittivanicha

Age 48 Years Old

Position Director / Executive Director

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 8 Years

Education

- Bachelor Degree, Hospitality and Tourism Management Program, Assumption University

Expertise

- Business and industry relating to NDR

Director Training / Seminar

- DAP 106/2013 Thai Institute of Directors Association (IOD)
- Digital Asset and Business Growth (New S-Curve) of Listed Company

Experiences (In 5 years)

- 2022 – Present: Director Nippon Tei Co., Ltd.
- 2000 – Present: Director T. Thai Charoen Service Co., Ltd.
- 2009 – 2022: Director N.D. Rubber Public Company Limited

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- Director Nippon Tei Co., Ltd.
- Director T. Thai Charoen Service Co., Ltd.

Position in other companies that may cause conflicts of interest with the Company

- N/A

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally 4.45%
- Held by spouse or minor children 21.17%

Relationship with Company's Executive (s)

- Mr. Chaiyasit Samrittivanicha's wife
- Mrs. Nittaya Samrittivanicha's daughter-in-law

Meeting Attendance of Board Meeting/Sub-Committee

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%



Ms. Nopparat Chumpolkulwong

Age 44 Years Old

Position Executive Director / Company Secretary

Education

- Master Degree, Marketing & Business Management, University of Bedfordshire

Expertise

- Rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission related to public companies
- Planning Management
- Document Storage

Training

- Company Secretary Program (CSP 83/2017) conducted by Thai Institute of Directors
- Professional Development of Company Secretary 2022
- Corporate Sustainability Strategy
- Carbon Footprint for Organization (CFO)
- Carbon Footprint for Product (CFP)
- Techniques for adding value to listed companies from a Stock Analyst point of view
- Preparation for PDPA Enforcement for Company Secretary
- Nomination and Appointment of Directors
- Leadership and being a modern supervisor

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2017 – Present: Company Secretary N.D. Rubber Public Company Limited
- 2013 – 2016: General Manager, OEM and Export Sales Department N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- Younger Sister of Mrs. Thunyarat Samrittivanicha



Duties and Responsibilities

The Company Secretary must perform duties as stipulated in Section 89/15 and Section 86/16 of the Securities and Exchange Act (No. 4) B.E. 2551, which came into force on 31 August 2008 with responsibly caution and honesty as well as to comply with the law, objectives, company regulations, Board resolution as well as the resolutions of the shareholders' meeting. The legal duties of the Company Secretary are as follows:

1. Prepare and maintain documents, as follows:
 - a. Register of Directors
 - b. Invitation letter to the meeting, minutes of the board of directors and shareholders
2. Maintain reports of interest reported by Directors or Executives and send a copy of the report of interest under Section 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee knows within 7 business days from the date the Company receives the report.
3. Providing legal advice, relevant rules and supervisory practices in conducting activities of the committee to be in accordance with the law.
4. Conducting the meeting of the Board of Directors and shareholder meeting to comply with the laws and regulations of the Company.
5. Contact and coordinate with the supervisory authorities, such as the Stock Exchange of Thailand, The Office of the SEC and oversee the disclosure of information and reporting information to regulators and the public in accordance with the law.
6. Contact and coordinate with departments within the Company to comply with the resolutions of the Board of Directors and the resolutions of the shareholders' meeting.
7. Liaise with shareholders, investors and the media to provide information and news of the Company.
8. Perform other acts as specified by the Capital Market Supervisory Board.
9. Perform other duties as assigned by the Company.

Ms. Pimwan Phoolphol

Age 37 Years Old

Position Executive Director / Internal Auditor

Education

- Bachelor Degree, Polymer Engineering, Rajamangala University of Technology Thanyaburi

Expertise

- Planning and manage internal control system in the organization

Training

- Company Secretary Program (CSP) conducted by Thai Institute of Directors
- Personal Data Protection System (PDPA)
- Leadership and being a modern supervisor
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2020 – Present: Internal Auditor N.D. Rubber Public Company Limited
- 2014 – 2020: Company Secretary N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- 0.02%

Relationship with Company's Executive(s)

- N/A



Ms. Malinee Charoenchaisin

Age 45 Years Old

Position Executive Director / General Manager, Finance & Accounting Department /
Chief Financial Officer

Education

- Bachelor Degree in Accountancy, Dhurakij Pundit University

Expertise

- Accounting Management and System

Training

- Economic Update for CFO
- Digital Asset and Business Growth Opportunity (New S-Curve) of Listed Company
- Restructuring Business for Growth
- Summary of financial reporting standards TFRS that have changed and come into force in 2023
- The role of CFO in corporate sustainability
- Guidelines for accounting records and guidelines for recognizing transactions in accordance with current accounting standards
- Financial reporting standards of NPAEs that have been revised
- Personal Data Protection System (PDPA)
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2020 – Present: General Manager, Finance & Accounting Department N.D. Rubber Public Company Limited
- 2014 – 2018: Accountant Shower King Manufacturing Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A



Mr. Domrongkreat Pasroy

Age 49 Years Old

Position Executive Director / General Manager, Machinery Engineering Department

Education

- High Vocational Certificate in Electrical Technology, Siam University

Expertise

- Programmable Logic Control (PLC) and Human Machine Interface (HMI)
- Conservation of Electricity and Heat

Training

- Corporate Sustainability Strategy
- Carbon Footprint for Organization (CFO)
- Carbon Footprint for Product (CFP)
- Lean Manufacturing & Value Stream Management (VSM) : Lean manufacturing to reduce costs, make profits and raise the productivity of the organization
- OEE Monitoring : In-depth measurement and analysis of overall machine effectiveness
- Personal Data Protection System (PDPA)
- Leadership and being a modern supervisor
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2020 – Present: General Manager, Machinery Engineering Department N.D. Rubber Public Company Limited
- 1998 – 2020: Unit Manager, Electric Power Department N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A



Mr. Boonlai Jamparat

Age 45 Years Old

Position Executive Director / General Manager, Production Department

Education

- High Vocational Certificate in Mechanical Power Technology,
Ubon Ratchathani Technical College

Expertise

- Manufacture of Motorcycle Tire and Tube

Training

- Corporate Sustainability Strategy
- Lean Manufacturing & Value Stream Management (VSM) : Lean manufacturing to reduce costs, make profits and raise the productivity of the organization
- OEE Monitoring : In-depth measurement and analysis of overall machine effectiveness
- Personal Data Protection System (PDPA)
- Leadership and being a modern supervisor
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2015 – Present: General Manager, Production Department N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A



Mr. Vinai Kajaisai

Age 41 Years Old

Position Executive Director / General Manager, OEM and Export Sales Department

Education

- Bachelor Degree, Business Management

Expertise

- Parts for Importing into a Motorcycle Assembly Plant

Training

- Corporate Sustainability Strategy
- Carbon Footprint for Organization (CFO)
- Personal Data Protection System (PDPA)
- Leadership and being a modern supervisor
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2019 – Present: General Manager, OEM & Export Sales Department N.D. Rubber Public Company Limited
- 2007 – 2019: Head of Sales & Marketing Department Daido Sittipol Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A



Ms. Thitikarn Chaichonchanok

Age 42 Years Old

Position Executive Director / General Manager, Human Resource and Administration Department

Education

- High Vocational Certificate in Business Computer, Eastern Technological College

Expertise

- Human Resource Management
- Employee Relationship Management

Training

- Corporate Sustainability Strategy
- Carbon Footprint for Organization (CFO)
- Final Call PDPA on Boarding
- Principles of Labor Relations Management under Crisis
- Occupational Safety, Health and Working Environment Act B.E. 2564
- Performance evaluation with OKR & KPI and digital development techniques
- Lean Manufacturing & Value Stream Management (VSM) : Lean manufacturing to reduce costs, make profits and raise the productivity of the organization
- OEE Monitoring : In-depth measurement and analysis of overall machine effectiveness
- Personal Data Protection System (PDPA)
- Leadership and being a modern supervisor
- Business Ethics for Good Business Governance Practice

Position in Other Listed Company

- N/A

Position in Non-Listed Company

- N/A

Position in other companies that may cause conflicts of interest with the Company

- N/A

Experiences (In 5 years)

- 2020 – Present: General Manager, Human Resource and Administration Department N.D. Rubber Public Company Limited
- 2013 – 2019: Deputy General Manager, Human Resource and Administration Department N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A





ATTACHMENT 2

DETAILS OF DIRECTORS OF SUBSIDIARIES

Details of Directors of Subsidiaries

Director Name	Name of Subsidiaries		
	N.D. Interparts Company Limited	Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd	N.D. Green Planet Company Limited
Mrs. Nittaya Samrittivanicha	D	-	-
Mr. Chaiyasit Samrittivanicha	D / MD	D	D / MD
Mr. Pornpoj Swadwan	-	D / MD	-

Remark: D = Director

MD = Managing Director



ATTACHMENT 3

DETAILS OF HEAD OF INTERNAL AUDIT

Details of Head of Internal Audit

The Audit Committee is responsible for appointing, removing and relocating the person acting as the Head of Internal Audit. In this regard, BK IA & IC Company Limited was appointed and assigned Ms. Boonnee Kusolsopit to be the Company's internal audit. The Audit Committee is of the opinion that the qualifications of the person holding the position of Head of Internal Audit are appropriate and independent to perform such duties efficiently, including being appointed as Secretary of the Audit Committee. Details are as follows:

Appointed Company as Head of the Internal Audit: BK IA & IC Company Limited

Date of Appointment as Head of the Internal Audit: 23 February 2023

Name of Person to perform Internal Audit: Ms. Boonnee Kusolsopit

Education Background and Special Qualifications

2005-2006	Chulalongkorn University Endorsed Internal Auditing Program
2001-2003	Burapha University Master's degree in MBA (Executive)
1996-1997	Chulalongkorn University Graduated Diploma (Auditing)
1993-1996	Ramkhamhaeng University Bachelor's degree in B.A. (Mass Communication)
1991-1995	Rajamangala University of Technology Krungthep Bachelor's degree in B.B.A. (Accounting)

Related Qualifications

- Certified Public Accountant No. 5623 (1998)
- Certified Personal Internal Audit of Thailand (CPIAT) No. 346 (2015)
- Member of Federation of Accounting Professions
- Member of the Institute of Internal Auditors of Thailand
- Independent Auditors assessing materials for SEM who participating in the CAC SME Certification in 2018

Training in 2022

- Data Protection
- Cybersecurity Fundamentals
- Thai Financial Reporting Standards (TFRSs / TFRS for NPAEs)
- Preliminary to Corporate Sustainability
- Disclosure-based of International Sustainability Standards Board (ISSB) 2 Edition and Business Preparedness

Work Experiences

Jun'2004 - Present	Partner, Chief Audit Executive	BK IA & IC Company Limited
Feb'2003 – Present	Audit and Consultant	K&A Audit Company Limited
Jun'2002 -May'2004	Auditor and Consultant	A Accounting & Tax Business Company Limited
Apr'1995 – Feb'2003	Audit Supervisor	SAM NAK-NGAN A.M.C. Company Limited

Special Instructor/Lecturer on Accounting, Internal Control and Audit

2018 - Present	SET (Internal Control for IPO)
2018 - Present	Yannawa Business Administration, Technological College
2005 - 2017	Sarasas Business Administration School
2013	Modernform Group PCL.
2012	Siam University
2011	Graduate School of Commerce Burapha University

Responsibilities

- Prepare an annual audit plan according to the risk basis with appropriate risk assessment and presented to the Audit Committee for approval including regular presentation of audit results and audit activities.
- Perform audit according to the plan including conducting special audit as requested by Management and the Audit Committee.
- Follow up on remediation results from observed observations and suggestions given to each department and report directly to the Audit Committee.
- Conduct an audit in accordance with the international standard for the practice of internal audit.
- Seeking knowledge, capability and auditing skills of internal auditors to be able to perform their work effectively.

Percentage of Shareholding (%) (as of 7 April 2022)

- N/A

Relationship with Company's Executive(s)

- N/A



ATTACHMENT 4

ASSETS FOR BUSINESS UNDERTAKING AND DETAILS OF ASSET APPRAISAL

Assets for Business Undertaking and Details of Asset Appraisal

As of 31 December 2022, fixed assets that the Company uses for business operation has a net value after deducting accumulated depreciation equal to 526,769,308 Baht.

Fixed assets details are as follows:

Asset Type	Proprietary	Net value after deduction of accumulated depreciation (Baht)	Obligation
1. Land and improvements, Title Deeds Nos. 7913-4 and 7498, area 35,337 Square Wah (3 title deeds), located at Banbueng District, Chonburi Province to be used as factory building	NDR	33,305,828	Credit Guarantee
2. Land	FKRMM	70,354,697	No Obligation
3. Land and Improvement	NDR	135,996,680	Credit Guarantee
	FKRMM	70,640,018	Credit Guarantee
	NDI	521,366	No Obligation
4. Machinery and Equipment	NDR	182,268,761	No Obligation
	FKRMM	7,715,056	No Obligation
	NDI	7,805,145	No Obligation
5. Furnishing and Appliances	NDR	3,250,626	No Obligation
	FKRMM	240,187	No Obligation
	NDI	134,407	No Obligation
6. Vehicle	NDR	7,283,575	No Obligation
	FKRMM	2,028,266	No Obligation
	NDI	3,927,568	No Obligation
7. Assets under construction/Installation	NDR	1,297,127	No Obligation
Total		526,769,307	

Intangible property details are as follows:

Type Trademark/Copyright	Owner	Product/Service	Registration No./ Country of Registration	Protection Duration
1. Trademark “ND Rubber”	N.D. Rubber Public Company Limited	- Car Tire - Motorcycle Tire - Bicycle Tire - Car Tube - Motorcycle Tube - Bicycle Tube	Kor1542/Thailand	10 Years
2. Trademark “SK”	N.D. Rubber Public Company Limited	- Motorcycle Tube - Motorcycle Tire	180129073/Thailand	10 Years
3. Trademark “Chang”	N.D. Rubber Public Company Limited	- Motorcycle Tube - Motorcycle Tire	201108923/Thailand	10 Years



ATTACHMENT 5

CORPORATE GOVERNANCE POLICY AND PRACTICE AND BUSINESS CODE OF CONDUCT

Corporate Governance Policy and Practice and Business Code of Conduct

The Company has disclosed “Corporate Governance Policy and Business Ethics” as shown in the Company’s website (www.ndrubber.co.th) under “Corporate Governance”.

Corporate Governance Policy <https://shorturl.asia/xH0ya>

Business Code of Conduct <https://shorturl.asia/Uqll3>



ATTACHMENT 6

AUDIT COMMITTEE REPORT

Audit Committee Report

N.D. Rubber Public Company Limited's Audit Committee consists of 3 Independent Directors - Dr.Sirada Jaruttakanont, Chairman of Audit Committee, Mr.Teerasak Sawangnet and Mr.Kovit Kristanin. They are not only qualified and experienced in finance and accounting, marketing; organization management including motorcycle tires business but also has the qualification comply to the good requirements and regulations of audit committee defined by the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Audit Committee has performed their duty under the scope and responsibility assigned from the Board of Director. In 2022, the Audit Committee conducted 4 meetings with the Management Team, The internal auditors and Auditors. In addition, at the Audit Committee Meeting No. 1/2022, the Audit Committee set a specific agenda for the meeting with the Auditors without the participation of Management to ensure that the Auditors are able to perform their duties and express their opinions independently. The following activities had been discussed in the meeting.

Review Financial Statements – The Audit Committee conducted financial statement review for the year of 2022 with the auditor and the management to ensure the financial statement prepare according to the general certified accounting standards in adequate, accuracy and accountability information disclosure comply to law and related notification including consideration new accounting standard, new financial report, new financial and accounting standard interpretation, and the revision of accounting principle that related to the Company.

Review Connected Transactions – The Audit Committee has considered the disclosure of the Company, associated Companies and subsidiaries Companies In the event of a transaction or any conflicts of interest between stakeholders for accuracy and adequacy to ensure the audit process is comply to the Stock Exchange of Thailand's good governances.

Review Internal Control System – The Audit Committee has reviewed the adequacy of internal control systems of the Company in 2020 by review internal auditor and accounting auditor's report which given the suggestion there's no significance conformance found. So that, the audit committee give the comment the internal control system still adequate and appropriate to the management's operation and comply to policy and the authority defined.

Oversee the Internal Control – Consider and approved the scope of internal audit year plan for 2021 based on the principles of internal control assessment and the scope that covered major important process including review audit results which is directly report from the auditor to ensure independent of the auditor.

Review Risk Assessment Management – To review Risk Management with the Management and follow up the implementation including propose the effectiveness of risk management process to ensure the Company shall have risk management continuously and to consider the preventive and the eliminate important business risk both existing and in the future including setting additional measurement for better improvement.

To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business – The Audit Committee has reviewed the Company's compliance with the notification of the Securities and Exchange Commission and the Stock Exchange of Thailand and the laws relating to the Company's business regularly for the purpose of extremely efficiency and effectiveness. Including any action with stakeholders with fairness and transparency can be trace according to good governance best practice so that to creditability to our investor and stakeholders.

Consider, select and nominate an independent person to the Company's auditor – The Audit Committee has considered and selected the auditor for 2023 by review the auditor's qualification from business knowledge and experiences including the appropriation of remuneration and propose the resolution to the Board for approve from the Annual General Meeting of Shareholder in 2023 to appoint BDO Audit Company Limited by 1) Mr. Teerasak Chuasrisakul Certified Public Account No. 6624 or 2) Mr. Kraisaeng Thiranulak Certified Public Account No. 5428 or 3) Ms. Supachanya Thongpan Certified Public Account No. 10505 or 4) Ms. Amornjid Baolorpet Certified Public Account No. 10853 or 5) Mr. Lum Chiew Mun Auditor at BDO Malaysia, to be the auditing firm of the Company for the year 2023.

Dated: 23 February 2023

On behalf of the Audit Committee



Dr. Sirada Jaruttakanon

(Chairman of the Audit Committee)



ATTACHMENT 7

CHARTER OF THE BOARD OF DIRECTORS AND SUB-COMMITTEES

Charter of the Board of Directors and Sub-Committees

The Company has disclosed “Charter of the Board of Directors and Sub-Committees” as shown in the Company’s website (www.ndrubber.co.th) under “Corporate Governance”.

Charter of the Board of Directors and Sub-Committees <https://www.ndrubber.co.th/en/corporate-governance/charter/>



ATTACHMENT 8

NOMINATION AND REMUNERATION COMMITTEE REPORT

Nomination and Remuneration Committee Report

The Nomination and Remuneration Committee consists of 3 directors, with Dr. Sirada Jarutakanont as the Chairman and Mr. Teerasak Sawangnet and Mr. Chaiyasit Samrittivanicha are the directors. The defined process to propose to be appointed as a director as well as the selection of the Company's directors to act as sub-committee members. This includes considering the format and principles of the directors' remuneration criteria to present to the Board of Directors and the shareholders' meeting respectively.

In 2022, the Nomination and Remuneration Committee has performed all duties as assigned by the Board of Directors by strictly adhering to the principles of good corporate governance. This is to balance the benefits of all stakeholders sustainably. The summary of the essentials of the Nomination and Remuneration Committee's work in the year 2022 as follows:

1. Consider recruiting qualified persons to take the position of the Company's directors and to replace the directors who retired by rotation. Also, to present to the Board of Directors to consider appointment to have enough directors and in line with the company's growth.
2. Opportunities for small shareholders are a proponent of the agenda of the meeting. Also, the names of persons nominated as directors of the Company before the 2023 Annual General Meeting of Shareholders 3 months in advance. The period is from 1 September 2022 to 30 November 2022. To comply with the principles of good corporate governance and the overall benefit of the company as all stakeholders is important. It appeared that no shareholders nominated persons to enter the nomination process for the directors at the 2023 Annual General Meeting of Shareholders.
3. Considering, screening and proposing the remuneration to the Board of Directors and committees in comparison with other companies in the same industry. This is to suit the duties and responsibilities of the directors. As it is linked with the overall performance of the company, in accordance with a basis for consideration. Then, to propose to the Board of Directors for approval before proposing to the Annual General Meeting of Shareholders for approval.
4. To consider and nominate qualified directors to be members of the sub-committee. Moreover, to present to the Board of Directors Consider and appoint as appropriate.

In summary, the Nomination and Remuneration Committee has performed the above duties according to their roles including responsibilities assigned by the Board of Directors. According to the opinion in 2022 acknowledge that the Company's directors and various sub-committees are knowledgeable, competent, and considering remuneration which is disclosed in the annual report. They are suitable for duties and responsibilities in line with economic conditions, and the overall performance of the company.

Dated: 23 February 2023

For and on behalf of the Nomination and Remuneration Committee



Dr. Sirada Jarutakanont

(Chairman of the Nomination and Remuneration Committee)



เพื่อนคุณ...ตลอดไป



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